

# DAILY REPORT

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HAIG TESTIFIES ON REAGAN'S NUCLEAR ARMS PROPOSAL

OW121212 Beijing XINHUA in English 1200 GMT 12 May 82

[Text] Washington, May 11 (XINHUA) -- U.S. Secretary of State Alexander Haig stressed today that the U.S. must carry out President Reagan's "strategic modernization program" while preparing to negotiate with the Soviet Union on arms reduction. "If we fail to adopt the President's military modernization program we will reduce not the nuclear danger, but instead the chances of reaching an arms control agreement on strategic forces," he said.

Testifying before the Senate Foreign Relations Committee on Reagan's proposal Sunday to hold Strategic Arms Reduction Talks (START) with the Soviet Union, Secretary Haig amplified on the President's idea by listing "eight criteria" as a guide to the proposed talks. The first one, he said, is that "a START agreement must permit the U.S. to develop and possess sufficient military capability to deter the Soviet Union and to execute the U.S. national military strategy." "Arms control is a means to an end, not an end in itself," and "our objective is to sustain our national security...in the face of an expanding Soviet force," he emphasized. "Arms control can play a very important part in strengthening our security and restraining the growth of Soviet power." But, to make sure arms control can succeed, "we must demonstrate our will and capacity to maintain the military balance," he stressed.

After reviewing other criteria including the principles of equality, strategic stability, effective verification, and substantial reduction, he said that the objective of U.S. proposal is "to achieve significant reductions in the most destabilizing nuclear systems, especially intercontinental ballistic missiles (ICBM)". "This will be the primary focus of U.S. effort," he added.

Government officials were reported to have disclosed to the press that what Haig and Reagan had in mind when they talked of the "most destabilizing nuclear systems" were in effect, the giant Soviet SS-16s, 17s, 18s, and 19s, which the U.S. considers to be the most threatening to its own land-based ICBMs. Since the Soviets have more giant land-based ICBMs than the U.S., the "criteria" of "equality", strategic stability" and "substantial reduction" are all understood as demanding the Soviets to give up their edge in this field. People think this is a demand highly unlikely to be accepted by the Soviets.

Haig said while he understands and shares the anxiety that motivated the anti-nuclear movement, he rejects the nuclear freeze proposals and suggestions to ratify the shelved SALT II treaty. He said Americans should support "the President's proposal for a fair, realistic and truly beneficial strategic arms agreement" and "the initiatives we have taken to modernize our forces." "Such support will be crucial in convincing the Soviets that we are determined to compete and at the same time that we are eager to reach a meaningful agreement," he concluded.



SOVIET POLICE KILL AFGHAN STUDENTS IN MOSCOW

HK121333 Beijing RENMIN RIBAO in Chinese 11 May 82 p 6

["International Jottings" by He Li [0149 4539]: "Double Brutality"]

[Text] It was reported that not long ago, a number of Afghan students in Moscow were shot by Soviet police. They were killed by Moscow merely for staging a demonstration to protest against the brutality of the Soviet troops' slaughter of Afghan people in Afghanistan.

The savage acts of the Soviet troops in Afghanistan are too numerous to mention. It is estimated that about 400,000 Afghans have been killed by the Soviet aggressors over the past 2 years and 3 million Afghans have become refugees from their native places and wandered destitute far from home. However, Moscow impudently calls its numerous savage acts "fulfilling international obligations." Furthermore, it forces the Afghan people to dance to its tune to praise such a "philanthropic act" of the Soviet Union. Otherwise, they will be persecuted under the charge of "opposing the Soviet Union." This time, the Soviet Union imposed what it did in Afghanistan on the Afghan students in Moscow, using its sinister bullets to reply to their "anti-Soviet words and deeds." Moscow tried to use slaughter to stop people from exposing its savage acts. However, this precisely proved its double brutality.

In Moscow, the Soviet authorities have repeatedly produced the farce of sending cavalry and police forces to suppress foreign students staging demonstrations. However, this was the first time that Moscow was so panic-stricken that it laid its murderous hands on some unarmed students who were holding a peaceful demonstration. "Those who are most ferocious are the most timid." What Moscow did is a new example of its brutality.

RENMIN RIBAO REJECTS IZVESTIYA ON KABUL SAFETY

HK110703 Beijing RENMIN RIBAO in Chinese 8 May 82 p 6

["International Jottings" by Yun Fei [0061 7378]: "False Security"]

[Text] On 29 April Soviet IZVESTIYA made use of others to say that no sounds of gunfire had been heard in Kabul, capital of Afghanistan, for the past 20 days and that it was "very safe" there and to assert that this was the "real situation."

However, this was disproved by the bombs in Kabul 2 days later. According to reports, early on the morning of 1 May, the Afghan guerrillas attacked the barracks of the Soviet troops in the southeastern part of Kabul city proper. After exchanging fire for 2 to 3 hours, the Soviet arsenal caught fire, causing great losses to the Soviet troops.

Obviously, the "safety" as mentioned by IZVESTIYA is a mere deception. To the Soviet occupiers and their lackeys, Kabul is in fact very unsafe. The attack on 1 May was by no means the first one. In the past 2 years, the Afghan guerrillas have often gone deep into Kabul to severely punish the Soviet officers and soldiers, and Afghan traitors in the puppet regime and in the army. How can there be safety for the Soviet occupiers in Afghanistan where the whole nation has risen against foreign aggression and the Soviet occupiers are deep in a quagmire? IZVESTIYA is only raving like a lunatic and is trying to deceive itself as well as others.

YE JIANYING MEETS DPRK ASSEMBLY DELEGATION

OW121526 Beijing XINHUA in English 1500 GMT 12 May 82

[Text] Beijing, May 12 (XINHUA) -- Ye Jianying, vice-chairman of the Central Committee of the Chinese Communist Party and chairman of the Standing Committee of the National People's Congress, met today at his residence with a friendship delegation from the Supreme People's Assembly of the Democratic People's Republic of Korea. The delegation is led by Mme. Ho Chong-suk, secretary of the Central Committee of the Korean Workers' Party and vice-chairman of the Standing Committee of the Supreme People's Assembly.

Ye Jianying praised the profound friendship between the parties, countries and peoples of China and Korea. He said the friendship would continue from generation to generation.

Ho Chong-suk said the delegation's visit would contribute to friendship between the two parties and countries. She also outlined the achievements of the Korean people under President Kim Il-song.

Ye Jianying said the Chinese people are happy for the success of the Korean people. "We resolutely support your just struggle for independent and peaceful reunification of Korea," he said.

Present were Xing Yimin, deputy secretary general of the N.P.C. Standing Committee; Han Nianlong, adviser to the Ministry of Foreign Affairs; and Chon Chong-yong, charge d'affaires ad interim of the D.P.R.K. Embassy in Beijing.

SUZUKI COMMENTS ON ZHAO VISIT, MEETS CPPCC GROUP

OW121610 Beijing XINHUA in English 1523 GMT 12 May 82

[Text] Tokyo, May 12 (XINHUA) -- Japanese Prime Minister Zenko Suzuki today said that the Japanese Government and people are all looking forward to the coming visit to Japan by Chinese Premier Zhao Ziyang. He said it will be an epoch-making event for Japan and China that the two heads of government exchange visits and reaffirm the unshakable relations between the two countries on the occasion of the tenth anniversary of the establishment of diplomatic relations between Japan and China.

Suzuki made these remarks at his official residence while meeting with Zhou Peiyuan, leader of the delegation of the Chinese People's Political Consultative Conference which arrived in Tokyo Monday. He noted that in the past ten years since the normalization of Japan-China relations, the exchanges between the two countries in the political, economic, cultural, scientific and technical fields have been enhanced.

Zhou Peiyuan replied that it will be of great significance for the prime ministers of the two countries to exchange visits on the occasion of the tenth anniversary of the normalized relations. Through its two-day visit in Japan, he added, the delegation felt deeply that there exists profound friendship between China and Japan. He expressed the hope that the friendship between the Chinese and Japanese peoples will last from generation to generation.

BRIEFS

SINO-JAPANESE TECHNICAL COOPERATION -- Beijing, 30 Apr (XINHUA) -- Drilling of the first production oil well by Sino-Japanese cooperation began at 8 am Wednesday in the Chengbei oilfield of southwestern Bohai Sea. It marked the official start of the Sino-Japanese cooperative development of the oilfield. Drilling platform B is being used for the drilling operation. Oil production is expected to start in 2 years, after the drilling of 28 wells is completed by the platform. [Text] [Beijing XINHUA in English 1254 GMT 30 Apr 82 OW]

DENG XIAOPING MEETS THAILAND'S FOREIGN MINISTER

OWL30832 Beijing XINHUA in English 0824 GMT 13 May 82

[Text] Beijing, May 13 (XINHUA) -- Deng Xiaoping, vice-chairman of the Central Committee of the Chinese Communist Party, told Thai Foreign Minister Sitthi Sawetsila here this afternoon that China supports an early unification of the three patriotic forces in Kampuchea.

In a meeting with the Thai foreign minister and his party at the Great Hall of the People, Deng said: "This alliance should be conducive to the strengthening of the struggle against the Vietnamese aggressors and should not weaken the anti-Vietnam forces that are now fighting at the forefront in Kampuchea. This is the most fundamental and most important political principle." Deng said that China desires to continue efforts to promote the realization of this alliance, but, he said: "We do not impose our views on others and do not interfere in their internal affairs. Non-interference in the internal affairs of others is China's consistent principle, which new China has upheld since its establishment in 1949." Vice-Chairman Deng noted: "A stable alliance will be realized only when the three patriotic forces in Kampuchea reach agreements through negotiations and adhere to these agreements."

In the conversation with the Thai foreign minister, Deng praised Thailand and other ASEAN countries for their efforts in promoting the alliance of the three Kampuchean forces.

Present on the occasion were Huang Hua, Chinese state councillor and minister of foreign affairs; Wu Xueqian, vice-minister of foreign affairs; and Han Nianlong, adviser to the Foreign Ministry. Thai Ambassador to China Koson Sinthuanon was also present.

SIHANOUK DISCUSSES TALKS WITH SITTHI IN BEIJING

OWL21844 Beijing XINHUA in English 1830 GMT 12 May 82

[Text] Beijing, May 12 (XINHUA) -- Samdech Norodom Sihanouk told journalists here today that he had cordial and friendly political talks here Tuesday with Thai Foreign Minister Sitthi Sawetsila.

In a prepared statement Sihanouk expressed deep thanks to Thailand for all it has done for Kampuchean refugees and to help Kampuchea regain its independence. The statement said: "My Thai guests and I examined together the issue of forming a tripartite coalition government of Kampuchea for the sake of Kampuchea's liberation. We held entirely identical views on this issue." "We hope that Mr. Son Sann, president of the Khmer People's National Liberation Front, and Mr. Khieu Samphan, president of Democratic Kampuchea, succeed as soon as possible in reaching between their factions an accord which, alone, will make it possible to form a tripartite coalition government of Kampuchea," the statement said.

"As for the proposal for a (new) summit meeting of the three resistance Kampuchean leaders in Kuala Lumpur (Malaysia)," the statement said, "we unanimously maintain that it is better to hold such a summit only if it is possible to announce an immediate formation of the tripartite coalition government of Kampuchea." "If such a new summit could not end with this concrete result, it should be better, I think, not to risk a failure, which certainly would not serve the cause of national liberation in my country."

BEIJING CAMBODIAN SERVICE NOTES INDIAN-SRV TIES

BK130316 Beijing in Cambodian to Kampuchea 1030 GMT 11 May 82

[Text] A number of Indian warships paid an official visit to Vietnam from 5 to 8 May. This shows that Vietnam and India have increased their relations during the past few years. At the end of April, Nguyen Co Thach, Vietnamese foreign minister, officially visited India for 6 days.

Foreign news agencies reported that last year India agreed to provide a U.S. \$12-million loan to Vietnam.

ZHAO RECEIVES FORMER MALAYSIAN PREMIER 12 MAY

OW121600 Beijing XINHUA in English 1509 GMT 12 May 82

[Text] Beijing, May 12 (XINHUA) -- Premier Zhao Ziyang met here today with Tunku Abdul Rahman Putra al Haj, president of the Muslim Welfare Organization of Malaysia and the Regional Islamic Da'wah Council of Southeast Asia and the Pacific, and former prime minister of Malaysia.

Zhao Ziyang extended a warm welcome to Tunku Rahman. He spoke highly of the time-honored relations between China and Malaysia and the frequent exchange of visits between leaders and the people of the two countries since the establishment of diplomatic relations. After giving an outline of China's policy on religion, Zhao expressed the hope that Tunku Rahman's visit would help deepen mutual understanding and friendship between the peoples and Muslims of the two countries. He also asked Tunku Rahman to convey his regards for Malaysian Prime Minister Mahathir bin Mohamed.

Tunku Rahman said that he had been looking forward to this visit. Malaysia feels happy about China's progress. He expressed the conviction that Malaysia-China relations would become closer in the years to come.

Present were Burhan Shahidi, honorary chairman of the Chinese Islamic Association; Al-Hajji Muhammed Ali Zhang Jie, chairman of the Chinese Islamic Association; and Malaysian Ambassador to China Albert S. Talalla.

DEVELOPMENT OF BURMA'S OIL INDUSTRY REPORTED

BK121335 Beijing in Burmese to Burma 1130 GMT 12 May 82

[Text] Burma's oil and natural gas production has developed further in 1980-81. Compared to 1977-78, production of oil in that period increased by more than 2,444,000 barrels while production of natural gas rose by 4.7 billion cubic feet.

During this same period, due to the establishment of a new oil refinery plant at Mann oilfield and to the expansion of the Syriam oil refinery, production of gasoline, diesel oil and other fuel oil has also increased markedly.

Due to the discovery of three new oilfields last year, Burma's oil reserves grew by more than 3.001 billion barrels.

LIAO CHENGZHI MEETS AUSTRALIA'S ROGER SHIPTON

OW111236 Beijing XINHUA in English 1229 GMT 11 May 82

[Text] Beijing, May 11 (XINHUA) -- Liao Chengzhi, vice-chairman of the National People's Congress Standing Committee, met here today with Roger Francis Shipton, chairman of the Joint Parliamentary Committee on Foreign Affairs and Defence of Australia, and his wife and children. During the talk, Liao Chengzhi said China and Australia had a good relationship and believed it would further grow. He and Shipton also exchanged views on issues of common concern.

Australian Ambassador to China H.A. Dunn was on hand.



FIRST FIJIAN AMBASSADOR PRESENTS CREDENTIALS

OW100938 Beijing XINHUA in English 0753 GMT 10 May 82

[Text] Beijing, May 10 (XINHUA) -- Jioji Kotobalavu, first ambassador extraordinary and plenipotentiary of Fiji to the People's Republic of China, presented today his credentials to Ulanhu, vice-chairman of the Standing Committee of the National People's Congress. Han Xu, Chinese vice-minister of foreign affairs, was present on the occasion. Kotobalavu arrived here May 7.

Meeting With Huang Hua

OW111230 Beijing XINHUA in English 1228 GMT 11 May 82

[Text] Beijing, May 11 (XINHUA) -- State Councillor and Minister of Foreign Affairs Huang Hua met and had a cordial talk here this afternoon with Jioji Kotobalavu, first ambassador of Fiji to China.

BRIEFS

SCIENTISTS IN NEW ZEALAND -- Wellington, 6 May (XINHUA) -- The Chinese science and technology delegation led by Tong Dalin left Auckland for home this morning after a 9-day goodwill visit to New Zealand. During their stay, Tong Dalin and his party called on Dr I.J. Shearer, New Zealand's minister of science and technology, and exchanged views on possible cooperation in the field of science and technology between the two countries. The 10-member delegation arrived here from Australia on 27 April and visited universities and research institutes in Wellington, Palmerston North, Rotorua, Hamilton and Auckland. [Text] [Beijing XINHUA in English 1204 GMT 6 May 82 OW]

PAKISTAN OPENS NATIONAL BANK OFFICE IN BEIJING

OW121720 Beijing XINHUA in English 1648 GMT 11 May 82

[Text] Beijing, May 11 (XINHUA) -- A representative office of the National Bank of Pakistan was formally opened here today. This is the first bank office in Beijing from the Third World.

Mohammad Nawaz Kahn, chairman of the National Bank of Pakistan, gave a reception here this evening to mark the opening of the Beijing office. Among the 300 guests at the reception were Bu Ming, chairman of the Bank of China; Li Peng, vice-minister of finance; and Chen Jie, delegate to the Minister of Foreign Economic Relations and Trade. Afzal Qadir, charge d'affaires ad interim of the Pakistan Embassy here, was present.

In his speech, Mohammad Nawaz Khan said the National Bank of Pakistan plays its role in the development and strengthening of economic relations between Pakistan and China through "very close and cordial relations with the Bank of China." He was confident that the opening of the bank's representative office in Beijing would further promote the friendship between the two countries.

Bu Ming also expressed the belief that the opening of the representative office would further foster the economic and trade development between China and Pakistan and strengthen the business cooperation between the Bank of China and the National Bank of Pakistan.

Banking Group Meets Chen Muhua

OW121724 Beijing XINHUA in English 1619 GMT 12 May 82

[Text] Beijing, May 12 (XINHUA) -- Chen Muhua, state councillor and minister of foreign economic relations and trade, met here today with a delegation from the National Bank of Pakistan led by Chairman Mohammad Nawaz Khan. Chen Muhua extended congratulations on the establishment of the bank's representative office in Beijing yesterday. She praised cooperation between China and Pakistan and the growing business links between financial circles of the two countries. She said that South-South cooperation includes cooperation in finance. This cooperation will play an important role in the economic development of the Third World countries, she said.

Nawaz Khan said that his bank would exert itself to contribute to the expansion of economic and trade relations between Pakistan and China.

Present were Bu Ming, chairman of the Board of Directors of the Bank of China; Afzal Qadir, charge d'affaires ad interim of the Pakistan Embassy in Beijing; and Gul Nawaz Khan, representative of the National Bank of Pakistan in Beijing.

PAKISTANI AMITY DELEGATION VISITS SHANGHAI

OW101231 Shanghai JIEFANG RIBAO in Chinese 5 May 82 p 4

[Text] On the evening of 4 May, Zhang Chengzong, vice chairman of the Shanghai Municipal People's Congress Standing Committee and vice president of the Shanghai branch of the Chinese People's Association for Friendship With Foreign Countries, met with and feted the delegation of the Pakistan-China Friendship Association. Also present at the meeting and the banquet were responsible persons of the departments concerned in Shanghai, including Zhang Anyou, Shen Derong and Xiao Dai.



The delegation, which arrived in Shanghai on a friendly visit on 3 May, was led by (Montaz Ali Arwi), president of the Pakistan-China Friendship Association and former Pakistani ambassador to China. It was the first delegation of the association to have visited China since the inception of the Pakistan-China Friendship Association. The delegation consisted of the vice president of the Pakistan-China Friendship Association, leading members of its various branches and Pakistani celebrities. During the meeting and the banquet, the host and the guests conducted cordial conversations and wished for constant consolidation and development of the friendly relations between China and Pakistan and the traditional friendship between the Chinese people and the Pakistani people.

JOURNALISTS DELEGATION MEETS INDIAN MINISTER

OW111758 Beijing XINHUA in English 1528 GMT 11 May 82

[Text] New Delhi, May 11 (XINHUA) -- Indian Minister of Information and Broadcasting Vasant Sathe said today that both India and China "can benefit by mutual cooperation and understanding." Mr. Sathe made his remarks while receiving a Chinese journalist delegation.

After recalling the long history of friendship between the two countries, he said: "There is much in common among the people of India and China." He believed that cooperation between the two big Asian nations would not only help each other, but also help other developing countries, and enhance the process of peace in the world.

Later today, Secretary of the Indian External Affairs Ministry E. Gonsalves, also met the delegation. He said: "There may be a certain period of misunderstanding. It is our duty to increase our understanding and remove misunderstanding, so as to rebuild our relations to the maximum possible degree." He held that journalists have a special responsibility to promote mutual understanding between the two countries.

On both occasions, Jiang Yuanchun, leader of the Chinese delegation, expressed gratitude for the hospitality of the hosts and the wish that the friendship between India and China would further develop.

TRADE UNION DELEGATION DEPARTS FOR WEST EUROPE

OW121238 Beijing XINHUA in English 1227 GMT 12 May 82

[Text] Beijing, May 12 (XINHUA) -- A Chinese trade unions delegation led by Huang Minwei, vice-president of the All-China Federation of Trade Unions, today left here for West Berlin to attend the 12th Congress of the German Federation of Trade Unions.

The delegation will also go to France to attend the 39th Congress of the French Confederation of Democratic Labour (CFDT) and the 41st Congress of the French General Confederation of Labor (CGT).

DELEGATION ATTENDS ECONOMIC SYMPOSIUM IN AUSTRIA

OW111341 Beijing XINHUA in English 1229 GMT 11 May 82

[Text] Vienna, May 10 (XINHUA) -- China's open-door policy on economic relations and technological exchanges with the outside world will not change, a Chinese official said at an international symposium here today.

At the opening session of the international symposium on economic relations with China sponsored by the Austrian Organization for International Economic Relations, Wang Yaoting, head of the Chinese economic delegation, and its members briefed the symposium on China's policy on economic cooperation with other countries, the present situation and prospects of China's foreign trade, and China's financial policies.

150 businessmen and bank representatives from 12 countries and regions are attending the symposium. The participants were also briefed by representatives of Beijing and Shanxi Province of their plans to expand trade and of joint ventures with foreign firms. Negotiations on joint ventures will be held shortly with participating companies. It is learned that 234 meetings for such negotiations are to be held.

Austrian Minister of Commerce Josef Staribacher and Chinese Ambassador Wang Shu attended today's opening ceremony.

The Chinese delegation arrived here yesterday at the invitation of the Austrian Donau-European Institute. After the conclusion of the symposium on May 14, it will tour other parts of Austria.

CCP DELEGATION LEAVES FOR GREEK PARTY CONGRESS

OW121620 Beijing XINHUA in English 1537 GMT 12 May 82

[Text] Beijing, May 12 (XINHUA) -- Feng Xuan, member of the Central Committee of the Communist Party of China, left here today for Greece at the invitation of the Greek Communist Party of the Interior. In the capacity of the representative of the Chinese Communist Party, he is to pay a visit to Greece and attend the Third Congress of the Greek Communist Party of the Interior.

MILITARY DELEGATION LEAVES FOR SPAIN, ITALY

OW061848 Beijing XINHUA Domestic Service in Chinese 1400 GMT 5 May 82

[Text] Beijing, 5 May (XINHUA) -- An eight-member Chinese military delegation led by Wu Xiuquan, deputy chief of the General Staff of the Chinese PLA, left Beijing on 4 May for Spain and Italy for friendly visits.

Arrival in Madrid

OW090305 Beijing XINHUA in English 0254 GMT 9 May 82

[Text] Madrid, May 8 (XINHUA) -- a Chinese military delegation arrived here today for a one-week friendly visit to Spain at the invitation of the Spanish Defense Ministry.

The delegation, headed by Deputy Chief of the General Staff of the Chinese People's Liberation Army Wu Xiuquan, is the first of its kind that has ever visited Spain since China and Spain established diplomatic relations in 1973.

During his stay, Wu Xiuquan will meet with high-ranking officers and pay visits to the military academy and some military installations.

SPECIAL ENVOY TO TURKEY MEETS EVREN, ULUSU

Talks With Evren

OW111810 Beijing XINHUA In English 1627 GMT 11 May 82

[Text] Ankara, May 11 (XINHUA) -- Turkish head of state Kenan Evren received He Ying, the visiting special envoy of the Chinese Government, at the presidential office this morning and had a friendly and cordial talk with him.

He Ying conveyed to Evren the invitations from Ye Jianying, chairman of the Standing Committee of the National People's Congress and from the Chinese Government for a visit to China. The Turkish head of state said he would visit China at an appropriate time. "The growing strength of a big nation like China in East Asia is just what Turkey wishes to see. We are glad about China's on-going reforms and its achievements," he added.

Present on the occasion was Chinese Ambassador Zhou Jue.

He Ying arrived in Ankara yesterday for a visit at the invitation of the Turkish Government.

Meets Turkish Premier

OW112118 Beijing XINHUA in English 1859 GMT 11 May 82

[Text] Ankara, May 11 (XINHUA) -- Turkish Prime Minister Bulent Ulusu told visiting Chinese special envoy He Ying that he hoped the two countries would further their cooperation in political, economic, cultural and other fields. During his meeting with the Chinese envoy, he also wished China prosperity, her people happiness, and her leaders good health.

The Turkish prime minister accepted an invitation to visit China from Chinese Premier Zhao Ziyang, which was transmitted by He Ying.

He Ying Leaves for Syria

OW130136 Beijing XINHUA in English 0203 GMT 13 May 82

[Text] Ankara, May 12 (XINHUA) -- Visiting special envoy of the Chinese Government He Ying left here for Syria today after a four-day visit which culminated in agreements to promote an all-round development of bilateral relations with Turkey.

In his talks with Turkish Foreign Under-Secretary Kamuran Gurum, the two sides stressed that visits between leaders at various levels of the two countries are helpful to promotion of mutual understanding and friendship. Both sides expressed satisfaction at the development of friendly relations in the political field in the past ten years since the two countries established diplomatic relations. The two sides agreed to further their cooperation in the economy, trade, science and technology and culture in the promotion of an all-round development of bilateral relations.

The two sides exchanged views on the present Middle East situation and other major international issues, which proved to be close or identical in many aspects.

During his visit here, the Chinese special envoy met with head of state Kenan Evren, Prime Minister Bulent Ulusu and Foreign Minister Ilter Turkmen. He also toured sites of historical interests in Ankara and Istanbul.

RED CROSS GROUP MEETS TUNISIAN PRIME MINISTER

OW120810 Beijing XINHUA in English 0756 GMT 12 May 82

[Text] Tunis, May 11 (XINHUA) -- Tunisian Prime Minister Mohamed Mzali received here this afternoon the Chinese Red Cross Society delegation headed by Yang Chun, vice-president of the society. They had an amicable conversation on the good relations of friendship and cooperation between the two countries. Also present on the occasion were Tunisian Minister of Public Health Rachid Sfar and President of the Tunisian Red Crescent Ali Fourati.

Ahne Wassila Bourguiba, wife of President Habib Bourguiba, received Yang Chun and all members of her delegation and gave a luncheon for them today.

Public Health Minister Rachid Sfar this morning received the Chinese delegation and reviewed with Yang Chun the excellent cooperation between the two countries in public health.

The Chinese delegation arrived here from Algeria on May 9.

CAPE VERDE PRESIDENT PEREIRA VISITS, MEETS ZHAODeparture From Pyongyang

OW130748 Beijing XINHUA in English 0742 GMT 13 May 82

[Text] Pyongyang, May 13 (XINHUA) -- The party and government delegation of the Republic of Cape Verde led by Aristides Pereira, general secretary of the African Party for Independence of Cape Verde and President of the Republic, left here for China this morning by special plane after a state visit to Korea.

Among those present at the airport to see the guests off were Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, and other Korean party and government leaders. He Zhangming, charge d'affaires ad interim of the Chinese Embassy here, was also present.

Zhao Ziyang Greets Pereira

OW130836 Beijing XINHUA in English 0829 GMT 13 May 82

[Text] Beijing, May 13 (XINHUA) -- The Chinese Government gave a red-carpet welcome this afternoon to Aristides Maria Pereira, general secretary of the African Party for Independence in Cape Verde and president of the Republic of Cape Verde who is on an official friendship visit to China. Premier Zhao Ziyang presided over the ceremony which was held in Tiananmen Square on the east side of the Great Hall of the people. He greeted President and Mme. Pereira with cordial handshakes. Then, two school children presented the guests with bouquets.

The national flags of China and Cape Verde flew over Tiananmen Square. After the playing of the national anthems of the two countries, President Pereira, accompanied by Premier Zhao, reviewed an honor guard made up of the three services of the Chinese People's Liberation Army. Some two hundred children holding bouquets and ribbons, waved greetings to the guests. Among those attending the welcoming ceremony were Zhu Xuefan, vice-chairman of the Standing Committee of the National People's Congress; Huang Hua, state councillor and foreign minister; and his wife He Liliang.

After the ceremony, Premier Zhao had a cordial conversation with President Pereira and other guests from Cape Verde.



President Pereira and his party arrived in Beijing by special plane at noon today after a visit to the Democratic People's Republic of Korea. They were greeted at the airport by Chinese Vice-Minister of Foreign Affairs Gong Dafei and Chinese Ambassador to Cape Verde Liu Yingxian.

CONGO PRESIDENT SASSOU-NGUESSO MEETS CCP GROUP

OW111359 Beijing XINHUA in English 1254 GMT 11 May 82

[Text] Brazzaville, May 10 (XINHUA) -- Denis Sassou-Nguesso, president of the Congo and the Congolese Labor Party, Monday met Zhang Zhixiang, leader of a Chinese Communist Party delegation. Sassou-Nguesso told Zhang Zhixiang, an adviser of the CCP International Liaison Department, that the Congolese Labor Party wants to develop relations with the Chinese Communist Party. He said that "developing cooperation between the two parties and the two countries will contribute to the world's peace and progress in the face of the tense international situation."

During its visit, the Chinese delegation held talks with the Congolese delegation headed by Pierre Nze, a member of the Congolese Labor Party's Political Bureau. Thystere-Tchicaya and Bokamba-Yankouma, members of the Political Bureau, also met the Chinese delegation. The Chinese and Congolese delegations exchanged experiences in building their parties and countries and discussed important international issues.

The Chinese delegation toured Pointe Noire, the economic capital of Congo, and visited some industrial and agricultural enterprises. The Chinese delegation began its Congo visit on April 30 and will leave here Tuesday for a visit to Gabon.

MALAGASY PRESIDENT FETES OUTGOING PRC ENVOY

OW112112 Beijing XINHUA in English 1901 GMT 11 May 82

[Text] Tananarive, May 11 (XINHUA) -- Malagasy President Didier Ratsiraka and his wife hosted a dinner here today in honor of the outgoing Chinese Ambassador Gan Yetao and the leaving third and fourth Chinese medical teams. In his toast, President Ratsiraka termed the cooperation between the two countries as "sincere" and "effective". Gan Yetao praised President Ratsiraka's contribution to closer friendly ties between the two countries.

Earlier on April 27, President Ratsiraka through Foreign Minister Remi Richard, conferred on the Chinese ambassador a medal of "Commander" of the National Order (third class) in recognition of his service to the friendly ties between Madagascar and China.

UNSC PRESIDENTIAL ENVOY MEETS SWAPO CHIEF

OW110941 Beijing XINHUA in English 0725 GMT 11 May 82

[Text] Arusha, Tanzania, May 10 (XINHUA) -- Mi Guojun, representative of president of the U.N. Security Council Ling Qing to the council's extraordinary plenary meeting on Namibia met with Sam Nujoma, president of the South West African People's Organization (SWAPO) here this morning.

Mi Guojun said that the United Nations respected the positions taken by the Organization of African Unity and the frontline countries on the Namibia issue. The U.N. resolution 435 and other decisions must be implemented, he added. He denounced South Africa's manoeuvres in Namibia as being in contravention of the U.N. resolutions.

Nujoma reaffirmed his rejection of "one man, two votes" and "one man one vote with two counts." He said that SWAPO would pursue the spirit of the conference held in Dar es Salaam on May 4 by frontline countries, Kenya, Nigeria and SWAPO. He also expressed thanks to China for its aid and support to SWAPO and its contributions to the settlement of Namibia's independence.

Mi Guojun also had a meeting with Tanzanian Minister of Foreign Affairs Salim Ahmad Salim here this morning. He told the minister that the U.N. council's meeting on Namibia would be of great significance; it would serve the interests of mustering international pressure upon the South African regime. The meeting on Namibia is scheduled to open here this afternoon.

#### Official Views Namibia Problem

OW121930 Beijing XINHUA in English 1857 GMT 12 May 82

[Text] Arusha, Tanzania, May 12 (XINHUA) -- The Chinese representative to the extraordinary plenary meeting of the UN Council for Namibia today voiced firm support for the Namibian people's just struggle for an end to Pretoria occupation and the achievement of independence and liberation. The Chinese representative, Zhang Liyuan, also strongly condemned the Pretoria regime for suppressing the Namibian people and for its invasion of the frontline states. He praised the Namibian people for having achieved gratifying results in their active political and diplomatic struggle coupled with armed struggle.

He pointed out: "The truculence of the South African authorities, far from helping them to obtain their pernicious objectives, will only be met with even stronger condemnation and more severe sanctions of the international community." He said it must also be pointed out here that audacity and intransigence with which the South African authorities have behaved since long are inseparable with the connivance and support from certain Western powers, particularly from one superpower. [sentence as received] In order to defend its vested interests in South Africa, that superpower ever regards the South African racist authorities as its strategic ally, shielding them in all possible ways from criticisms and even attempting to revise resolutions of the Security Council to meet the unreasonable demand of the South African authorities. This is one of the most important reasons why resolution 435 of the Security Council has not been implemented so far and why Namibia has not been able to achieve independence to this day." However, he stressed, "neither perverse acts of the South African authorities nor obstruction, intervention and sabotage of the superpowers can prevent the historical wheel of national liberation from rolling forward."

He said the Chinese Government and people will continue to work with their African brothers and all justice upholding countries and peoples for the implementation of the resolutions related to the question of Namibia adopted by the General Assembly and the Security Council, and will continue to give political, diplomatic, moral and material support to the Namibian people till they win complete independence.

#### BRIEFS

TRADE UNIONISTS TO AFRICA -- Beijing, 8 May (XINHUA) -- A Chinese trade unions delegation led by Chen Yu, vice president of the All-China Federation of Trade Unions, left here by plane today for friendship visits to Zimbabwe, Botswana and Nigeria. [Text] [Beijing XINHUA in English 1602 GMT 8 May 82 OW]



VENEZUELA CHRISTIAN SOCIAL PARTY OFFICIAL VISITS

## Meets Ji Pengfei

OW081402 Beijing XINHUA in English 1353 GMT 8 May 82

[Text] Beijing, May 8 (XINHUA) -- State Councillor Ji Pengfei and his wife Xu Hanbing met with and hosted a dinner this evening in honor of Aristides Calvani, deputy secretary general of the Christian Socialist Party of Venezuela and general secretary of the Christian Democratic Organization of America, Mrs Adela Abbo de Calvani and their son and two daughters. In their conversation, Ji Pengfei said that their visit to China would help promote the friendship and understanding between the two parties and the people of China and Venezuela.

Deputy Secretary General Calvani told Ji Pengfei that he has come with an aim to open new channels for exchanges. He said that he was very interested in further promotion of the relationship between the two countries and parties of Venezuela and China.

Attending the meeting and banquet were Qiao Shi and Zhu Liang, head and deputy head of the International Liaison Department of the Central Committee of the Chinese Communist Party, and Venezuelan Ambassador to China Regulo Burelli Rivas and Olga de Burelli.

The guests arrived here yesterday at the invitation of the International Liaison Department.

## Meets CCP Liaison Head

OW121702 Beijing XINHUA in English 1557 GMT 12 May 82

[Text] Beijing, May 12 (XINHUA) -- Qiao Shi, head of the International Liaison Department of the Chinese Communist Party Central Committee, gave a dinner this evening for Aristides Calvani, deputy secretary general of the Christian Socialist Party of Venezuela and general secretary of the Christian Democratic Organization of America, and his wife Adela Abbo de Calvani.

The guests will tour Xian and other Chinese cities tomorrow before returning home. During his stay in Beijing, Calvani has held talks with leaders of the International Liaison Department. They discussed their nations' domestic situation, development of relations between the two parties and international issues. Calvani also had discussions with Lei Jieqiong, vice-president of the Association for International Understanding of China.

FURTHER ON CORRUPT CADRE'S EXPULSION IN YUNNAN

OW110425 Beijing XINHUA Domestic Service in Chinese 1458 GMT 10 May 82

[Excerpts] Beijing, 10 May (XINHUA) -- According to reports from RENMIN RIBAO reporter Xi Ping and GONGREN RIBAO reporter Qu Zuguang, the former deputy director and party branch deputy secretary of the office for counselors in Yunnan Province, Cheng Zhanbiao, was blinded by greed and overcome by the bourgeois corrupt way of life and adopted contemptible means to hoodwink the party and connived for his daughter Geng Hong to cohabit with Zhang so-and-so, a Hong Kong capitalist, and become Zhang's concubine. Cheng Zhanbiao was totally degenerated and failed to maintain the qualities and meet the requirements of a Communist Party member. Recently, the Yunnan Provincial CCP Committee decided to expel him from the party. Regarding this, the Central Discipline Inspection Commission has issued a circular for widespread inner-party distribution.

Cheng Zhanbiao was a veteran cadre who participated in the revolution in 1933 and joined the party in the same year. He did some good work for the party and the people. However, due to his negligence with regard to ideological transformation, he became obsessed with individualism. He tried a thousand and one ways to send his daughter Geng Hong to Hong Kong.

In February 1980, when he was transferred to Yunnan from Sichuan, he requested the transfer of Geng Hong from the translation publishing house in Shanghai using the excuse that he would like to have his daughter at his side. With his help, Geng Hong, who was a 27-year old CYL member at that time, came to Yunnan, and later met this Zhang so-and-so, a capitalist from Hong Kong.

Cheng Zhanbiao also lied while making use of the name of the office for counselors of the Yunnan Provincial People's Government. He issued a false letter of certification in his own writing which said: "Geng Hong has the need to go to Hong Kong because of her work," and "she and her husband agreed of their own accord to a divorce." He also put his official seal of office on this letter of certification, and finally helped Geng Hong achieve her goal of obtaining a divorce.

The Hong Kong capitalist Zhang so-and-so was married a long time ago. In addition to his wife and children, he has another concubine. Cheng Zhanbiao knew this situation well. When Geng Hong and Zhang so-and-so were in Shanghai and Kunming, their activities aroused strong discontent among the hotel administration and the departments concerned. They had informed Cheng Zhanbiao several times and asked the latter to take disciplinary action against his daughter Geng Hong, but Cheng turned a deaf ear to all this.

After the establishment of illicit relations with Zhang so-and-so, Cheng Zhanbiao and his family received, on various occasions, a color television set, radio-tape recorder, dress materials, Hong Kong currency and other items as gifts.

In March 1981, Geng Hong and Zhang so-and-so came to Guangzhou as "husband and wife," swindling and bluffing. With the help of Cheng Zhanbiao and others, Geng Hong finally achieved her goal of going to Hong Kong. On the eve of her departure for Hong Kong, Cheng Zhanbiao also wrote a letter of resignation for her in his own handwriting to complete the procedure for her resignation.

In discussing Cheng Zhanbiao's mistakes, the party branch of the Yunnan provincial office for counselors held: Cheng's activities clearly indicate that he has degenerated and failed to meet the essential requirements for a Communist Party member. In order to purify the party organizations, it is necessary to expel him from the party. However, there were also some people who held: Cheng Zhanbiao is a member of the old Red Army and a veteran cadre. He should be treated with leniency. They proposed to place him on probation within the party for a period of a year.

The Central Discipline Inspection Commission took an interest in this case. It held Cheng Zhanbiao must be expelled from the party because he is already degenerate. Recently the Central Discipline Inspection Commission issued a circular entitled: "Maintain Party's Purity, Resolutely Expel Those Who Are Corrupt and Degenerate." The circular called on "All Communist Party members to immediately get mobilized to resolutely struggle against all economic crimes as well as corrupt and degenerate practices and to absolutely refrain from indulging the evildoers."

#### EDITORIAL STRESSES DIVERSIFIED ECONOMY

HK130406 Beijing RENMIN RIBAO in Chinese 9 May 82 pp 1, 4

[Editorial: "It is Necessary To Develop the Diversified Economy on a Larger Scale"]

[Text] In recent years, various localities have gradually readjusted their agricultural production structure and the overall arrangements for their crops. Thus the situation of single-crop production has been changed, grain production has been increasing yearly and diversified economy has been developing very rapidly. At present, in the whole country the areas sown to grain should be stabilized and future developments of the diversified economy must not be allowed to occupy fields. So under such circumstances, can the diversified economy be further developed?

The answer is yes.

In March of last year, the CCP Central Committee and State Council transmitted the "Report on Actively Developing Diversified Economy in the Rural Areas" issued by the State Agricultural Commission. Over the past year or so, diversified economy in various localities has been thriving and a large number of typical units have come to the fore and we have accumulated some experience. Rural cadres and commune members have benefited and their enthusiasm has been greatly aroused. The energetic development of our diversified economy has a large foundation.

One of the basic characteristics of the agriculture in our country is that the amount of average per capita cultivated area and reclaimed wasteland is small. This is an important restricting condition. However, we have large areas of hilly land and hills and a great number of rivers, lakes and ponds as well as vast grasslands, seawaters and shoals in our country. Most of these rich natural resources have not been used or fully used. The "seven mountains and one river" have good conditions for developing diversified economy. A great deal of straw and rice stalks should be used as fodder and raw materials for industrial and sideline production. At present, some of these materials have been used as fuel or fertilizer. Some are discarded and are allowed to rot. If we rationally exploit and use these natural resources, energetically plant more trees and grasses and develop the breeding of livestock including plant-eating animals, birds and fish, we will acquire enormous wealth. The development of diversified economy will enrich the countryside, and at the same time, it is necessary in order to attain ecological balance and promote a benignant cycle. As various localities are investigating agricultural natural resources and dividing agricultural regions, we will be able to gradually find out about the situation of natural resources and create favorable conditions for rationally exploiting and using them. If we can adopt effective methods to fully use our natural resources in our own interest, our farming, forestry, animal husbandry, sideline production, fishery and industry will develop in an all-round way.

The processing industry for agricultural and sideline products can be vastly developed. Once some agricultural and sidelines products are processed, they will have a sudden rise in "status." As we know that due to the backwardness of our work in this respect, a number of industrial crops such as ramie and others have been stocked in warehouses because they are "slow selling," but ramie products are not "available" on the market. Every year, a great number of products such as fruits which are supplied to the market in quick succession end up rotting. Although some natural resources, such as yantao [a type of peach which grows wild] have been marketed, most of them ripen and rot on the mountains slopes "year in and year out."

If we can arouse the initiative of various quarters and pursue the practice of combining planting, breeding and processing, we will be able to overcome the defect of lacking cultivated land and bring the strong points of having abundant natural and labor force resources into play so that we can turn more "useless things into useful ones, small things into big ones and unitary use into multiple use."

In recent years, production of industrial crops such as cotton, edible oil, sugar and so forth has been developing very rapidly. However, with regard to yield per unit area and product quality, the gaps between various localities are very wide. Gaps mean potential. From now on, while developing industrial crops, we should avoid the practice of paying too much attention to the expansion of growing areas alone. Instead, we should exert our major effort to increase the yield per unit area, enhance labor productivity and improve product quality. We should change the practice of planting over wide areas without paying attention to yield. We should carry out intensive and meticulous farming, promote unified management and reform those medium and low-yield lands so that they will gradually catch up with the production level of those high-yield lands. The practice of some localities has proved that the potential in this respect is very great. After adopting advanced and scientific measures, very often we are able to get the greatest gains by making the lowest investment.

In a word, we should expand our field of vision from the limited cultivated land to the vast world. The development of diversified economy has good prospects.

To turn the good prospects into reality, it is imperative for us to do a great deal of solid work. Diversified economy and comprehensive development is a strategic measure for bringing about a prosperous rural economy in our country, which will become more and more important in the whole of agricultural development. "Planting the five cereals will provide us with sufficient food, whereas raising silkworms, planting hemp and rearing the six domestic animals will enrich the people." Developing diversified economy is the road peasants must follow in order to eliminate poverty and become rich. Leading organs and cadres concerned should on no account shake their determination to develop diversified economy. They should unswervingly implement the guiding principle of "never relaxing the efforts to promote grain production and actively carrying out diversified economy." At present, the products of diversified economy are insufficient in both quality and quantity and a greater development is needed.

The crux to developing diversified economy lies in implementing the party's policies. Different localities differ greatly in conditions because their management items, ownership systems and management methods are many and varied. Therefore, in accordance with the spirit of the "summary of minutes of the national conference on rural work," various localities should rely on the efforts of both the collectives and the individuals. Items which are suitable to be run by households of commune members should be delegated to individual households. Items suitable for the collectives should be run in a unified way by the collectives. The "summary of minutes" pointed out: "Production teams should formulate their plans for the overall development of their farming, forestry, animal husbandry, sideline production, fishery, industry and commerce in light of their practical conditions, make arrangements for manpower in a planned way and adopt suitable forms of the production responsibility system. Even those production teams which are based on individual household farming should also engage in some items of diversified economy in accordance with their capability, such as tree farms, tea gardens, orchards, poultry yards and so forth and gradually develop division of labor in specialized trades and contract system concerned with specialized trades." In so doing, we will not only actively develop household sideline production run by commune members, but also promote management items conducted by the collectives. As a result, we will certainly be able to develop diversified economy rapidly.



By developing diversified economy, we can accommodate scientific and technological achievements of various subjects. At present, due to insufficient knowledge on the part of leading cadres, it is fairly difficult to develop diversified economy. Owing to the lack of scientific and marketing knowledge, a great number of natural resources and agricultural and sideline products have not been rationally used. We have put aside some useful materials or wasted them. While developing diversified economy in the rural areas, we should engage in a number of items which have their own unique characteristics. To conscientiously develop them is more complicated than grasping grain alone. Leaders at all levels should take the lead in studying hard and assiduously be resolved to solve the difficulties in the important tasks of agricultural production so that they will become experts in their fields. When the masses have gradually acquired extensive knowledge and broadened their field of vision, it will be possible for them to attain enormous wealth. There are a great number of skillful persons in the rural areas who are engaged in cultivation, breeding, industrial sideline production and household sideline production. Some localities have instituted an extensive search for talented persons. They have brought the roles of various talented persons into full play in light of their own professional and individual characteristics. At the same time, they have also organized talented persons to teach the masses and encouraged the latter to learn from the former. In so doing they have not only solved the problem of lacking talented persons, but also opened all avenues for developing diversified economy. These experiences merit our attention.

To continue to develop diversified economy, we should consciously accept the guidance of the state plans. While deciding on management items which are suitable to local conditions, we should have the raw material resources, marketability of products and business profits in mind and put development of our diversified economy on a solid basis. Proceeding from the local conditions of certain production brigades, communes and zones, some localities developed their diversified economy without specific plans in mind. To deal with these problems properly, leaders concerned should be good at providing guidance: first, local strong points should be subordinated to the rational arrangements based on general interests; second, we should comprehensively consider both natural and economic conditions. For instance, while developing industrial crops, we should take into account the suitability of local climate and soil and the demands of the state and market. They should also consider grain selling quotas, the masses' grain ration and the capacity of transportation, the processing industry and warehouses and other things. Otherwise, we will suffer from unnecessary losses as a result of improper arrangements for production. At the same time, we should constantly provide those units and individuals who are engaged in the development of diversified economy with information concerning production and sales to help them manufacture marketable products.

With the development of diversified economy, we will get more and more agricultural and sideline products. Hence, we should take early measures to do a good job in storage and transportation and dredging and opening up various channels of circulation and reducing middle links in accordance with the characteristics of diversified undertakings and scattered transactions in a few of the rural areas. Since state commerce and supply and marketing cooperative are the main channels, regional blockades should be broken and commodity circulation according to economic zones should be organized. With regard to products based on assigned quotas by the state, we should take a reasonable base or establish a proper ration between purchase and retention, which should be fixed through contracts. At the same time, we should arouse the enthusiasm of collective commerce and individual traders so as to promote the development of commerce characterized by varied sectors and channels and fewer links. In so doing, we will ensure effective goods circulation and efficiently support the vigorous development of diversified economy in the rural areas.

JINGJI YANJIU VIEWS REFORMING ECONOMIC STRUCTURE

HK121017 Beijing JINGJI YANJIU in Chinese No 4, 20 Apr 82 pp 18-22

[Article by Yang Jisheng [2799 4949 4939], staff member of the Tianjin branch of XINHUA NEWS AGENCY: "Theories, Blueprints, Experiments and Conditions -- Investigation and Research on the Problems of Reforming the Economic Structure"]

[Text] "Without reform, there will be no way out for our economy." This is where the view's of all the economic circles and of all departments of economic work are identical at present. The CCP Central Committee has long made up its mind to carry out reform and has already been conducting experimental reforms in some places. At present, we are in a transitional period when the new system is replacing the old one; therefore, it is natural that our economic work may run up against certain temporary difficulties and confusion. People's minds are actively working, but at the same time they are also bewildered by quite a few problems. Under these circumstances, this writer has recently made a special investigation on the problem of the reform of the economic structure in Tianjin. The following are the views he has collected from various circles.

#### Theory

Any vagueness or lack of clarity related to theory will result in blindly groping for a way out in practice. Many comrades are of the opinion that some of the difficulties in our experiments of economic reform stem from the lack of a unified understanding of a few basic theoretical problems.

For example, in the process of implementing profit retention, dispute has arisen as to how much or how little the enterprises should retain. The financial department is of the opinion that the enterprises have gotten too big a share, but in the opinion of the enterprises their share is not big enough. What are the objective criteria for the sharing? How can these criteria be defined? It is imperative to answer these theoretical questions clearly.

Another example is that in summing up the experiences in our three decades of construction, some comrades describe the period of the First 5-Year Plan as a period when the planned economy in our country reached the realm of the ideal and they hope that the methods we used during the 1950's will be adopted now in the 1980's. True, during that period our economy rose steadily and some experiences we gained during that period can be referred to by us even at present, but the economic management system then was basically copied from the Soviet Union. This system was full of maladies but because our level of economic development at that time was very low and moreover, because we did not make any material errors in our decisionmaking and we were very prudent and painstaking in carrying out our economic work, these maladies did not have enough time to clearly reveal themselves. Our present economic reform is precisely aimed at freeing ourselves from this pattern of overcentralism. Some of our comrades say that excessive eulogy of the First 5-Year Plan precisely showed our shallow understanding of the goal of our reform and the fact that our methods of thinking were one-sided. This was said with good reason.

Some theoreticians said that anything consists of two mutually contradictory aspects and that in order to handle it well, we should find a rational quantitative demarcation line between the two opposite aspects (this demarcation line is called "boundary" in philosophy). As yet some comrades have often failed to find proper "boundaries" on quite a few major theoretical issues. As a result, their exposition on these problems gives people the impression that they waver in their views on these problems. This has certainly had a detrimental impact on people's understanding.

For instance, in the past it was held that people's spirit was omnipotent and the principle of the incentive of material interests was negated. But later the incentive of material interests was overemphasized and the role of the people's spirit was negated.



As a result, an unhealthy trend of pursuing money in doing everything came into vogue among some people. In the past, we negated the regulation by market mechanism and put one-sided emphasis on the unified planning of the state. Thus, we managed our economy in an overcentralized manner. But later when we paid attention to the role of regulation by market mechanism, we neglected the role of planning in giving guidance and in conducting administration and management. As a result the malpractices of letting things slide cropped up in some trades and professions. In the past, we closed our country to international exchange and rejected anything that was foreign. But later some people indiscriminately assimilated anything foreign without analyzing it. All the above-mentioned facts have shown that our theory is shallow and one-sided.

Many comrades suggest that the understanding of the following problems should be unified theoretically; otherwise it will be difficult to carry out the reform of the economic structure smoothly.

1. In order to be able to put an end to the malpractices of "eating out of a big pot" and "having an iron rice-bowl," what actual form of socialist public ownership should we adopt in our country? Should the reform of the economic structure affect the existing state ownership? Will the practice of enterprises assuming sole and complete responsibility for their profits and losses lead to a change in the nature of the ownership of the whole people?
2. How are we to correctly implement the policy of taking the planned economy as the core and supplementing it with the regulation of market mechanism? How are we to ensure that the economic activities in all our enterprises conform to the macroeconomic goals while we are enlivening our microeconomy? How are we to ensure that the initiative and flexibility of all our enterprises is given free play while carrying out the unified plans?
3. In handling the relationships between the spirit and material, how are we to prevent the malpractice of treating money as being above everything, while giving play to economic incentive? How are we to prevent the principle of commodity exchange from being adopted in our political, cultural and ideological fields while developing commodity production? How are we to prevent our moral qualities, conscience and people's mutual relationships from being turned into commodities?

In order to speed up the reform of the economic structure, our economic workers and economic theoreticians are faced with arduous and complicated tasks. There are a large number of questions to be scientifically answered by them. Some comrades are of the opinion that during the recent years our theoreticians have broken away from the ideological fetters of the "two whatevers," criticized the "leftist" erroneous guiding ideology, exposed the maladies of the existing economic system and thus significantly prepared public opinion for economic reform. However, we should not fail to point out that some of our theoreticians have adopted an unhealthy style of study and treated the directives of the higher level and the theory in books as the only source of truth. As a result they have refused to soundly investigate and study when they are doing research, and they have failed to persistently maintain the scientific and serious nature of theory. When a certain problem was put forth, people rushed to write one article after another and hold one meeting after another. But all they said in their articles and meetings were almost the same things. When the trend changed, they would make an about-face. Some people said: "Some of our theoreticians have no scientific views of their own. If a certain leader says something is good today, they will cite classics to prove that this thing is really good. However, if this thing is said by another leader to be bad tomorrow, they will again cite classics to prove that this thing is really bad. They seldom look for the criteria of right and wrong in practice." This criticism is to the point for some people. In order to fulfill the historical tasks facing them, our theoreticians must definitely rectify their style of study.

## Blueprints

Should there be a general design for the reform of the economic structure? Through 2 years and more of practice, many comrades have begun to see that it is better to have a general design first.

We have gradually formed a tentative idea on the reform of the economic structure through years of arduous groping at all levels and in all fields. This idea can be summed up as follows: taking the planned economy as the core and supplementing it with the regulation of market mechanism; having flexibility in microeconomics and centralism in macroeconomics; strengthening economic legislation and upholding division of labor between the political leadership and the management of the enterprises; and developing joint ventures and cooperation and enlivening circulation. However, this tentative idea is only an orientation and a rough plan. Using the terms of engineering design, this idea can only be treated as a "design program." In order to complete all the blueprints of the general design, we have to, furthermore, draw up all the concrete structure, features and all the details of every component in accordance with the various requirements of the "design program." As these requirements are often somewhat contradictory with one another, in drawing up the general design we must balance and dovetail all these requirements and thus make the new system a harmonized and coordinated organic entity. Besides, we should also estimate beforehand the problems that may possibly crop up when the new system is being implemented and design a few measures to be adopted to solve these problems.

After drawing up a general design, we should also draw up a series of "working plans." Thus, we will know what should be done earlier, what should be done later, how we are to link up one component with another and how we are to dovetail all the components. Without the "working drawing," the various parts of the reform will possibly contradict or offset one another and all sorts of confusion may crop up.

At present, we have already adopted some measures of economic reform, but because of our failure to draw up a mature general design and our lack of a "working plan," the following problems have cropped up in our practice:

1. We failed to form these measures into a complete set and our macroeconomic management lagged behind. As a result we failed to achieve good results even though we have adopted good measures. Undoubtedly, it is necessary to enlarge the decisionmaking power of our enterprises, but because we have failed to adopt other measures of reform to form a complete set of reform measures, we have failed to solve a large number of problems, despite trying every means to enlarge the decisionmaking power of our enterprises. The implementation of profit retention was originally aimed at giving play to the initiative of the enterprises. But because we have failed to coordinate this measure with price reform and because we have failed to provide other necessary conditions, we have failed to give play to their initiative owing to the difference in the exertion needed to fulfill their respective profit targets. On the other hand, the above-mentioned measures are moreover a hotbed for departmentalism, separatism and the tendency of liberalization, which will weaken and destroy the unified planning and harm the unified interests of the state.

2. Failure to dovetail one measure with another. This has made us neglect one aspect while paying attention to another aspect. For example, it is certainly right to lay stress on giving play to the strong points, but we have failed to take both the strong-points of a part and those of the whole. Because we have failed to take the whole situation into account, instances of anarchic duplicate construction have occurred and a large number of small enterprises have mushroomed everywhere. As a result the big ones suffered and for a time the big cities could not get supplies of tobacco, wool and other raw materials and their technical strong points could not be brought into play. In solving the employment problem, we have neglected the problem of raising labor productivity. Thus, we have not only further inflated the overstaffed personnel of our enterprises, but have also replaced a large number of skilled old workers with unskilled young ones.

In implementing the policies of profit retention and assigning full responsibility for profits to the enterprises, we failed to fix criteria for targets of variety and quality. As a result, the malpractices of focusing on producing products with the greatest profit margins and manufacturing goods in a rough and slipshod way have cropped up.

3. Some isolated reforms will perhaps become obstacles to the comprehensive reforms later. For example, since we have divided up the financial systems between the central and the local levels, the localities have pursued their own financial interests and refused to carry out the policy of closing, suspending, shifting the production of and merging some of their enterprises, and unplanned duplicative construction projects have become unavoidable. At the same time, this has created obstacles to merging enterprises of the same trade and profession in different areas. As the existing wage system itself does not satisfactorily embody the principle of distribution according to labor, it is difficult to overcome its shortcomings by paying bonuses. In 1980 Tianjin City paid 150 million yuan of bonuses, which was 4.3 times the amount of the additional wages paid in that year. Such excessive payment of bonuses will create obstacles to the wage reform in the future.

The above-mentioned problems have proved that the national economy is an integrated entity consisting of sectors that are related to and interact on one another. Therefore, an attempt to solve problems one by one in isolation often fails because of the restriction of other factors. That is why many comrades have proposed that the central authorities should establish a commission to take charge of designing the new economic system. This commission will concentrate the wisdom of all circles and conscientiously draw up the blueprints of the new system through repeated investigation and study.

#### Experiments

Whether in the course of formulating a reform plan, or before the comprehensive implementation of a completed plan, we have to carry out a series of experiments on a small scale. The purpose of these experiments is to prove or negate certain provisional ideas. The experiment in expanding enterprises' decisionmaking power should be conducted in the course of formulating the reform plan. Good results have been achieved in the last 2 years when experiments have been carried out in selected enterprises. However, we have also found several conspicuous shortcomings. To expose these shortcomings does not mean that we want to nitpick or "pour cold water," but that we wish to see improvement in the work.

First, the enterprises selected for experimentation are not representative because they possess some favorable conditions which ordinary enterprises never have. For this reason, the conclusions drawn from experiments in those enterprises may not necessarily be generally applicable, and usually, their experience cannot be easily popularized throughout the trade. Most of the enterprises which are carrying out the experiment of proportional profit retention are ones which enjoy high profit rates. Therefore, we can find in each enterprise selected for experimentation that profits are distributed according to a formula, namely, "the state takes away the large portion, the enterprise retains a small portion, while the individual keeps the small change." But, if we apply this formula on a larger scale, we will find that the portion retained by the enterprise is too large to ensure the financial revenues of the state. On the other hand, enterprises selected for carrying out the experiment of "assuming sole responsibility for profits and losses" are enjoying a high profit rate. They include watch factories, bicycle plants, and so on. As all of them always make profits and never suffer losses, carrying out that specific experiment in these enterprises seems meaningless.

Second, too many enterprises have been selected for experiments. Take Tianjin, for example. The number of enterprises selected for carrying out the experiment of proportional profit retention amounts to 509, or 62 percent of the total number of enterprises subordinate to the municipal administration; and in terms of output value or in terms of profits, they account for over 80 percent of all state-run enterprises throughout the city. At the beginning, there was the opinion that selection of more enterprises for experimentation meant emancipation of the mind.



This opinion pushed some regions to expand the scope of the experiment in disregard of their own objective conditions.

Third, we have seldom made objective and scientific observations and analyses of those enterprises selected for experiments and summed up their experience. In the appraisal of the progress of the experiments carried out in these enterprises, we have always heard indiscriminate comments such as "the situation is enlivened wherever the responsibility system is enforced," "the responsibility system is universally applicable," and so on. People have seldom made scientific and overall analyses and have put forth their own opinions. The actual purpose of the experiment is to justify the correctness of certain provisional ideas or policies. It may prove the ideas correct or it may prove them wrong. Even though the results of an experiment prove that an original idea is correct, we still have to try to find out its defects so as to improve it. And this is the only scientific and responsible attitude we should take.

Apart from the above, the content of the experiment is relatively simple. We are experimenting with only one aspect: expansion of enterprise decision-making power by reforming the distribution system. Undoubtedly this is one of the important topics of the present reform. But there are a number of other problems in the economic reform which need to be solved through experimentation, for example, taxation, pricing, salaries, labor, finances and so on. Unfortunately experiments in reform in these fields have not been properly carried out so far.

Some comrades suggest that comprehensive and comparable experiments using different models be confined to several medium-size and small cities; in other words, a certain comprehensive reform plan will be extensively carried out in a small city so that its policy will be different from that adopted in the surrounding area. The advantages of this kind of experiment are: Since various reform items are carried out in a well-coordinated manner, it is possible to see the overall result. Since they are carried out within a relatively isolated locality, external interference can be avoided and the experimental conditions can be easily controlled. Since they are carried out in several medium-sized and small cities, their influence on the overall situation will be limited in case of failure. Finally, since several comparable reform plans are implemented, we will be able to select an optimum plan. Not all of these advantages exist in those experiments which are currently being carried out.

#### Conditions

The reform of the economic system requires certain conditions: 1) all organizations concerned, from the upper levels down to the lower levels, must reach a unanimous understanding of the malpractices of the current economic system and have a strong desire for reform; 2) there must be a strong leading organ which is determined in carrying out the reform; 3) there must be a favorable political climate of stability and unity; 4) there must be a harmonious economic situation which is steadily developing; and 5) the party must cultivate a good work style. Here we mean that leading organs at various levels must hold identical views to those of the CCP Central Committee, so that orders and prohibitions can be strictly enforced, the principle of being practical and realistic can be upheld and everything can be carried out in accordance with principles. In the opinion of many comrades, at present, the former three conditions are basically available, while the latter two conditions still need to be created.

The present economic situation in our country is generally good. Very great successes have been achieved in the readjustment of the national economy, production is developing, and the people's livelihood is being improved step-by-step. However, the longstanding irrational economic structure has not yet been fundamentally changed, and the latent danger has not yet been eliminated. Quite a few enterprises are having their production wholly or partly suspended, the difficulties we are facing in allocation of funds, energy production, employment arrangement and so on are still rather prominent, and the national economy is still not on a healthy cycle.

Under these circumstances, the reform should be carried out steadily and not rashly; otherwise good results cannot be achieved. We will surely be bitterly attacked or criticized by various circles if the reform is proved ineffective, and this will in turn slow down the progress of the economic reform. Therefore, in view of the present situation in our country, economic readjustment is the prerequisite for economic reform. We must first conscientiously do a good job of readjusting the economy if we really want to reform the economic structure.

In a certain sense, the reform of the economic system is equivalent to a readjustment of power and interests. Therefore, it is bound to encounter various obstacles and possibly has to face an unexpected and complicated situation. Therefore, our cadres at various levels must proceed in all cases from the fundamental interests of the state and the people, take the overall situation into consideration, and resolutely oppose those activities of regarding personal interests and the interests of one's own unit as everything, harming the collective to benefit the individual and violating the law and discipline. Moreover, it is also an important task to correct the party's work style, to reorganize leading groups at various levels and to prepare necessary political conditions for economic reform.

At present, some comrades are overanxious in carrying out the reform and are speeding up new construction projects. However, there will surely be more and greater difficulties if new construction projects fail to emerge while the old ones have already been destroyed. Therefore, those comrades who are really eager for reform should never be overanxious to destroy the old structure but should try their best to complete good designs for new structures, carry out experiments, actively create conditions and then enforce the reform in a planned way.

#### FURTHER ON DRAFT OF REVISED CONSTITUTION

CHINA DAILY Column

HK130127 Beijing CHINA DAILY in English 13 May 82 p 4

["Opinion" column by CHINA DAILY commentator: "A Socialist Constitution"]

[Text] The draft of the revised PRC constitution now being discussed nationwide is characterized by its thoroughly socialist nature.

The preamble, general principles, as well as articles on citizens fundamental rights and duties and functions of state organs, are permeated with the spirit of socialism.

The preamble reflects objective reality when it says: "Chinese society has been transformed step by step from new-democratic to socialist. The system of exploitation of man by man has been eliminated and the socialist system securely established."

This was not the case when the first Constitution was enacted in 1954. Privately owned factories, firms and shops were still operating; individual farmers had their own plots and farm animals and implements. The country entered the stage of socialism after 1956, when all privately owned industrial and commercial enterprises were transformed into state-owned or joint state-private ones, and small, independent tillers organized into productive cooperatives and, later into people's communes.

Now, after 26 years of consolidation, socialism has been securely established on the basis of public ownership of the means of production, that is, ownership by the whole people as represented by the state, and collective ownership by working people. And it is only now possible for China to state in her new constitution that she applies the socialist principle "from each according to his ability, to each according to his work."

As stipulated in the draft revision, the state undertakes to ensure the consolidation and development of the state sector of the economy -- big industrial plants, mines, railways, banks, etc. owned by the whole people. At the same time, it protects the lawful rights and interests of collective economic units which include in the main the agricultural and fishery communes in the rural areas and handicraft cooperatives in cities and towns.

#### Latitude

It is true that much more latitude has been given to rural household sideline production and self-employed labourers of the nature of individual economy in the last few years. Nevertheless, the individual economy operates only as a complement to the socialist economy. There is very little if any likelihood it can develop into capitalist enterprises because no one is permitted to own the essential means of production and make a profit by exploiting people. For instance, however capable a farmer may be at improving his lot through hard work, skillful farming or sideline occupations, he is forbidden to buy or lease any plot of land.

The revised constitution stipulates that socialist public property is "sacred and inviolable," and that any action of seizing or damaging state or collective property is punishable (art. 13). This proscription and the outlawing of exploitation, however, should not be taken to imply that private property lacks legal protection. On the contrary, articles 14 and 15 provide: "the state protects the right of citizens to own lawfully earned income, savings, houses and other lawful property," and "the right of citizens to inherit private property."

#### Responsibilities

To consolidate the socialist system and give full play to the superior conditions of socialism as an advanced state of human history, the state not only assumes the common responsibilities of government, but also performs the functions of promoting health, education, culture and science among other things. Above all, it undertakes to "continually raise labor productivity, increase economic effectiveness and develop social productive forces," and "gradually improve the material and cultural life of the people." (art. 16)

Planning is a dominant feature of socialist economy. Thus, it is required that the state "makes appropriate arrangements with regard to accumulation and consumption, takes into account the interests of the state, the collective and the individual," (art 16) and "ensures the proportionate and co-ordinated development of the national economy through the comprehensive balancing of economic plans, with market regulation as a subsidiary." (art. 17)

Stipulations in the revised constitution ensure that state and collective enterprises have the power of decision in their management, which is to be shared by the workers.

The draft constitution does not merely stipulate that all citizens have the right to work and rest, it also obligates the state to provide the facilities for such. The right to universal primary education; material assistance in old age, illness and disability; maternal and child welfare, and many other social benefits is specified, and the state must guarantee them to all citizens.

What sounded utopian to most Chinese 30 years ago, has already begun to be a reality. The road ahead still is rocky, but it is clearly charted -- a path along which the socialist system is steadily perfected in all fields.

#### Taiwan Groups Comment

OW122116 Beijing XINHUA Domestic Service in Chinese 1424 GMT 12 May 82

[Excerpt] Beijing, 12 May (XINHUA) -- A joint meeting of council members of the All-China Association for the Promotion of Friendship Among Taiwanese Compatriots and the Beijing Municipal Association for the Promotion of Friendship Among Taiwanese Compatriots was held today in Beijing to discuss the draft of the revised constitution.



Lin Liyun, president of the All-China Association for the Promotion of Friendship Among Taiwanese Compatriots, pointed out at the meeting that the draft of the revised constitution is an embodiment of democracy, thorough discussions, and the masses' wisdom. The discussion of the draft by the entire nation can only happen in a socialist country in which the people are the masters.

She noted that 22 NPC deputies and 24 CPPCC National Committee members are Taiwanese compatriots. Many Taiwanese compatriots are representatives of people's congresses or members of CPPCC committees of many provinces, municipalities and autonomous regions and some Taiwanese compatriots have participated in the administration of state affairs as vice chairmen and standing committee members of these congresses and committees. This shows that the party and the state are interested in them. The preamble of the draft of the revised constitution and article 30 of the draft established NPC Standing Committee Chairman Ye Jianying's principles and policies for the peaceful reunification of the motherland as law. This is of important practical and historical significance. It shows the government's sincerity in seeking to resolve the Taiwan issue.

Lin Liyun expressed hope that council members of all associations for the promotion of friendship among Taiwanese compatriots would lead the people around them to discuss the draft and contribute their wisdom and strength to the formulation of a more perfect constitution.

#### CPPCC Groups Comment

OW120251 Beijing XINHUA Domestic Service in Chinese 1242 GMT 11 May 82

[Text] Beijing, 11 May (XINHUA) -- The CPPCC judicial group and the group directly under the administration of the CPPCC National Committee held separate forums this morning to discuss the "draft of the revised constitution of the People's Republic of China."

Han Youtong, head of the CPPCC judicial group, pointed out in his speech: An important reason why the 1954 Constitution was fairly perfect was because the masses from all walks of life throughout the country attended the discussions and because their opinions were extensively solicited. Now the draft of this revised constitution has been amended several times by the constitutional revision committee, and the opinions of various localities, departments and fields are extensively being solicited. This revised constitution will be more perfect than the 1954 Constitution. Now it is being discussed by all the people in the country. After being repeatedly discussed at the higher and lower levels, it will become a perfect fundamental, major law conforming with the state of affairs in China, and it will guide the Chinese people's political life for a long time after it is adopted by the National People's Congress in the near future.

Nonparty affiliated democratic personnel Cheng Siyuan, Zhao Junmai, Liang Shuming, Pu Jie, Zhang Xueming and others attended the forum sponsored by the group directly under the administration of the CPPCC National Committee. They pointed out: The draft of the revised constitution has included the major events in the modern history of China, including the 1911 revolution and the establishment of new China under the leadership of the CCP. It has explicitly put forward the four basic principles and specified the basic system and task of the state. It has been put forward after summing up the history of revolutionary struggles in China over the past decade, particularly the experiences of the past 30-plus years since liberation. It completely conforms with the state of affairs in China and the fundamental interests of all the people in the country.

Those who attended these two forums also offered their specific views for the revision of certain articles in the draft of the revised constitution.

The CPPCC group for women also held a forum on 8 May to discuss the draft of the revised constitution.

RENMIN RIBAO ON ACCOMPLISHING FOUR MAJOR TASKS

HK110910 Beijing RENMIN RIBAO in Chinese 7 May 82 p 5

[Article by Liu Ruilong [0491 3843 7893]: "Two Kinds of Interpretation of 'Tomorrow'"]

[Text] There are two kinds of entirely different interpretations of the word "tomorrow." One regards it as a derogatory term while the other regards it as a commendatory term. However, they have a common ground of expecting a bright future. This is positive and instructive for our four modernizations cause. I would like to quote these views as follows:

The first example is the "Song of Tomorrow" written by Qian Hetan, which was published in a collection of notes and comments by Qian Yong, a scholar in the Qing Dynasty. Qian Yong wrote:

"Before starting to do something, some young people often say: 'I cannot do it.' This is wrong. One can do something only by doing it. How can one do anything before doing it? In some other cases, they would say: 'Better leave it for tomorrow.' This is also wrong. When one wants to do something, one should start doing it right away. If one procrastinates, the thing may possibly never be done throughout one's lifetime."

"The 'Song of Tomorrow' written by Mr Qian Hetan is most instructive and I would like to quote it here: 'Tomorrow, tomorrow. Again tomorrow! I accomplish nothing by leaving everything for tomorrow. Many people have done the same, and before accomplishing anything, they find themselves too old. Time is thus wasted, from spring to autumn, like the river flowing east, like the sun setting in the west. How many tomorrows are there in 100 years? Please listen to my 'Song of Tomorrow.'" This was written in the old society by a noble-minded writer to advise people not to procrastinate in doing things, not to waste time or hold things up. Today, it is also "good medicine" for those who have been seriously affected by bureaucratism and those who are squeamish, arrogant and inactive.

The other example is a line in the "Internationale," which is sung all over the world in the new era: "Unite for a bright tomorrow." This is a basic tenet and a magic weapon for the Communist Party to lead the people in revolution and construction and a fundamental guarantee for the victory of our cause. It represents our hopes and future. We can never do without the revolutionary spirit characterized by vitality, unity and struggle, the revolutionary spirit of reinvigorating China and the revolutionary spirit of the foolish old man who removed the mountains.

After first achieving successes in reorganizing the administrative structure of the State Council, it is necessary to further improve work style and raise work efficiency.

The reorganization of the administrative structure and the reform of the entire economic system, as well as the struggle against serious criminal activities in the economic field, the building of socialist spiritual civilization and the rectification of the party's work style are found interrelated major tasks at present in adhering to the four basic principles and for ensuring the realization of the four modernizations. We must endeavor to achieve our aim.

Constant efforts must be made at present and in the future to get rid of the lethargy of the old society and develop the vitality of the new era.

HONGQI DISCUSSES RETIREMENT OF PARTY MEMBERS

HK120809 Beijing HONGQI in Chinese No 9, 1 May 82 pp 27-28

[Article by Wang Guangmei [3769 0342 5019]: "Communists Should Never 'Retire'"]

[Text] It is a matter of far-reaching strategic significance to build up a contingent of revolutionary, well-educated, professionally competent and younger leading cadres.

Our veteran revolutionaries and comrades have made many important contributions to the revolutionary cause and the construction of our motherland. Today, under the new circumstances, the party and the people require us to make new contributions and fulfill the glorious task that history has entrusted to us, that is, to do a good job in handing over our work to reliable successors, to young and middle-aged comrades who truly support the party's line, policies and principles mapped out since the 3d Plenary Session of the 11th CCP Central Committee.

Either in modern or ancient times, in China or elsewhere, great leaders usually manifested their remarkable talent when they were very young. Many of our old comrades were regiment commanders, county CCP committee secretaries or leaders of worker, peasant and student movements when they were about 20. Comrade Deng Xiaoping was secretary general of the CCP Central Committee when he was only 23. Led by the party, some minority nationality comrades also did outstanding jobs for the revolution and became good leaders when they were young. Are there not talented young comrades at present? Actually, there are many among the 1 billion people. It is true that owing to the sabotage of the Lin Biao and Jiang Qing counterrevolutionary cliques, our work of training and selecting young and middle-aged cadres has been delayed. But during more than 10 years of upheaval, they were also tempered. They were brought up in the complicated circumstances and struggles and have become mature. We must make every effort to foster the growth of these young and middle-aged cadres, boldly promote them to important posts and support their work. We must pass on experiences and set an example to bring them up. I am convinced that our young cadres will certainly be worthy successors.

Relief from duty is a normal process. It is an important matter concerning the destiny and future of our country. All party members, cadres and people are showing great concern for it. So, no matter what difficulties we may encounter, we must carry out this work well. In the past, we followed a roundabout road in this respect and caused the country and people to suffer a lot. We must draw a lesson from this. Under the leadership of the party, we must continue to adhere to the mass line, select and appoint talented people and hand the power over to reliable successors.

Being prompted by a strong sense of responsibility towards the people, we joined in the revolution dozens of years ago. We all made the pledge on being admitted to the party: for the cause of communism, we will not hesitate to sacrifice our all, including our lives. Now the development of our party's cause confronts us with another severe test. It is also an opportunity for us to make new contributions to the party. I am convinced that our veteran cadres will certainly do a good job in handing over their work to the next generation and thus add a new page to the record of meritorious service compiled by the people.

In comparison with many old comrades, I am a party member of shorter standing and have made fewer contributions. But I am already 60. Like many other comrades, I was deprived of the right to work for the people during my most capable years. How we thirsted for work at that time! However, soon afterward we regained the right to work, and now that we are working energetically, we have become old and it is time for us to hand over the work. I do not think that young and middle-aged comrades could understand what we are feeling now. It is extremely painful that the law of nature has made us unable to make up for lost time. So far as bitter experiences in the "Great Cultural Revolution" are concerned, we should say that our veteran cadres are those who were most seriously harmed during that period of time and have lost the most precious time, that of their prime years. Since we have experienced such pain, we should be more willing to hand over our work to the younger generation and do our best to help them do a good job.

In this way we can make up for their own losses during the 10-odd years while fulfilling our unfinished tasks to make up for the losses suffered by the party and state, and they will not suffer the pain that we suffered. This naturally requires a lofty sentiment, a broad vision and a strong sense of responsibility toward revolution.

To one who makes revolution all one's life, it is very painful to leave one's present post. What shall we do after we leave our posts? This reminds me of a past event. In 1952, Comrade Liu Shaoqi and I paid a visit to a subtropical botanical garden in Sochi [Suoqi, 4792 1142] in the Soviet Union. The cadre in charge of the botanical garden, who accompanied us on the visit, was an old Bolshevik. He was a retired Red Army man who had rendered outstanding service. After retirement he volunteered to work in the botanical garden. Comrade Liu Shaoqi expressed admiration for his deeds and said: "Being a revolutionary who makes revolution all his life, it is very painful to completely retire and convalesce without continuing to do anything for the revolution and without spiritual sustenance. If my physical condition and energies fail me in doing my present work, I would like to work as a teacher of party history or philosophy. If I am not able to teach, I would like to go with you to a tree farm! Then we shall work together to select seeds, raise seedlings and spread fertilizer on the soil...." Comrade Liu Shaoqi was only 54 then. But for reasons known to all, he was unable to realize his ideals.

Now the important task of handing over our work to the younger generation has fallen on our shoulders. If we really understand the importance of this strategic policy decision of the CCP Central Committee, we are sure to do the job well. There are still a lot of jobs for us to do after retirement! We can work as voluntary after-school advisers for students, do some reading and sum up our experiences, or work as tree farm workers. How nice it will be to keep ourselves busy all the time! No matter what jobs we are going to do, if we work as advisers on the second and third lines or even if we do not hold any post, we are revolutionaries and workers at all times. It is our lifelong task to "select seeds, grow seedlings...and take an active interest in the growth of trees." We must fight for the cause of communism as long as we have a breath. Communists should never "retire!"

The present situation is good. But there are still many difficulties, and our conditions are very complicated. The greatest disaster the Lin Biao and Jiang Qing counterrevolutionary cliques brought to us is disrupting our unity, the unity between the party and the masses, between the cadres and the masses and between the army and the people, as well as the unity of the cadres, the unity of the masses and the unity of all nationalities. Therefore, we must strengthen our unity under the leadership of the CCP Central Committee and overcome all difficulties step-by-step to make our socialist motherland a powerful and prosperous country so that the great cause pioneered by the revolutionaries of the older generation can be carried on from generation to generation, and the hard-won great achievements of countless revolutionary martyrs and fighters can be passed on to posterity!



ANHUI'S ZHOU ZIJIAN ON ANTIFLOOD MEASURES

OW122134 Hefei Anhui Provincial Service in Mandarin 1100 GMT 12 May 82

[Excerpts] The Anhui Provincial People's Government held a meeting in Hefei from 7 to 9 May to discuss the prevention of floods and droughts. Zhou Zijian, acting first secretary of the provincial party committee and governor of Anhui, called the meeting by telephone on 6 May while making an inspection tour in Boxian County. He presented specific measures for the prevention of floods in areas along the Chang Jiang and Huai He. Other leading comrades of the provincial party committee and provincial government, including Wang Guangyu, Yang Weiping and Meng Fulin, attended and addressed the meeting.

On the morning of 9 May, the standing committee of the provincial party committee heard a special report on the meeting and studied solutions to the problems presented at the meeting.

The meeting pointed out that the general requirement for the prevention of floods and droughts this year is that positive measures must be adopted to guard against floods and deal with emergencies. Areas along the Chang Jiang and Huai He must be prepared to combat the largest floods since the founding of the country, effective measures must be taken to cope with major floods and the safety of dams and reservoirs must be ensured. With regard to droughts, preparations must be made to deal with serious droughts, such as those that occurred in 1966 and 1978. To achieve victory in the struggle against floods and droughts this year, the meeting urged areas throughout the province to strengthen their leadership and implement various responsibility systems.

The meeting said that civilian workers for the first and second front struggle against floods must be formed beforehand so that they can immediately take part in the struggle upon mobilization. The meeting pointed out that while preparations against floods are being made, all areas must also guard against droughts by strengthening the management of water and conserving water according to plan.

XIANG NAN MEETS WITH FOREIGN EXPERTS 29 APR

OW121407 Fuzhou FUJIAN RIBAO in Chinese 30 Apr 82 p 1

[Excerpts] The international workshop and training course on nitrogenous fertilizer ended in Fuzhou on the afternoon of 29 April at a closing ceremony which marked the conclusion of their 4-day activities.

Dr P. J. Stangel, deputy managing director of the international fertilizer development center, summed up the workshop and the training course at the closing ceremony. Also addressing the workshop were Chen Huakui, a noted Chinese expert on soil micro-organisms; Gao Huimin, director of the Soil and Fertilizer Research Institute under the Chinese Academy of Agricultural Sciences; and (Qin Shuo Shi), director of the State Agricultural Research Institute of Burma. They affirmatively acknowledged the achievements of the workshop.

Xiang Nan, chairman of the standing committee of the Fujian Provincial People's Congress, met a number of foreign experts attending the workshop and had a cordial and friendly conversation with them on the evening of 29 April. After the meeting, Comrade Xiang Nan joined all the participating experts in watching a literary and art performance. Early this morning, Chinese and foreign experts attending the international workshop left Fuzhou for a visit to Jianyang County.

JIANGSU'S XU JIATUN AT PARTY HISTORY MEETING

OWL30255 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 12 May 82

[Text] The conference of east China's seven provinces and municipalities on the collection of party history data opened solemnly at Nanjing's Great Hall of the People this morning. It was attended by more than 170 leading comrades in party history work from seven provinces and municipalities in east China. Also attending the opening ceremony were Lu Dingyi, Kong Yuan, Li Qiang, (Liu Xunyu), (Zhou Lin), (Chen Yangshan), (Liu Xiao), (Hui Yuyu) and some 30 other old comrades who had assumed leadership work in these seven provinces and municipalities during the various historical periods of China's revolution. In addition, more than 2,000 provincial and Nanjing municipal cadres were present at the opening ceremony.

The conference was presided over by Comrade Guan Wenwei, adviser to the provincial party committee and chairman of the party history data collection committee under the Jiangsu Provincial CCP Committee. Comrade Xu Jiatun, first secretary of the provincial party committee, delivered the opening address. On behalf of the provincial party committee, he warmly welcomed all comrades attending the conference, wished the old comrades health and longevity and wished the conference complete success. He also made a brief report to the conference participants on Jiangsu's political and economic situation, Jiangsu's party ranks and the province's work of collecting party history data since the holding of the 3d Plenary Session of the 11th CCP Central Committee.

Addressing the conference, Comrade (Xie Xiaonai), vice chairman of the Central Committee for collection of party history data, said that the long and glorious history of revolutionary struggles of east China was worth reviewing and summing up. The successful compilation of the history of the party in east China would certainly help the successful compilation of the history of the party throughout the country. He called on the participants to, after this conference, review their work, exchange information, sum up their experiences, discuss problems and expand cooperation so as to advance the work of collecting data on the history of the party.

After (Xie Xiaonai) spoke, Comrade Feng Wenbin, chairman of the Central Committee for collection of party history data, delivered an important report. He reaffirmed the achievements made in collecting data on the history of the party throughout the country, but also pointed out some existing problems. He stressed the necessity to improve leadership and methods of work so as to upgrade the work of collecting data on the history of the party. Referring to the question of writing memoirs, he noted that this is only one aspect of the entire work. Other methods such as conducting investigation and discussion meetings and visiting old comrades should be used in collecting materials for the history of the party. In writing memoirs, attention should be paid to selecting materials of historical value, to the historical period and to the historical contributions of the party and the masses. In addition, in writing memoirs one should not forget summing up experiences and drawing lessons. In affirming or negating a case, an incident or an individual, sufficient material evidence must be provided together with the historical background from beginning to end. Memoirs must be examined and approved before they are published.

Comrade Feng Wenbin also said that old cadres should not restrict their role to writing memoirs only. They should also take up the more important and glorious task of bringing up successors, passing on their experiences to them, helping them and setting an example in training successors.

NIE FENGZHI AT NANJING PLA COMMENDATION MEETING

OWL12301 Shanghai JIEFANG RIBAO in Chinese 8 May 82 p 2

[Excerpts] The Nanjing PLA units held a meeting on 3 May to commend 28 advanced collectives and 53 advanced individuals for their achievements in building up socialist ethics.

Present were Nie Fengzhi, Guo Linxiang, Du Ping and other leading comrades of the Nanjing PLA units. First Political Commissar Guo Linxiang of the Nanjing PLA units addressed the meeting.

SHANDONG'S BAI RUBING TO LEAD ANTIDROUGHT WORK

SK120131 Jinan Shandong Provincial Service in Mandarin 2300 GMT 11 May 82

[Text] Leading comrades of the provincial CCP committee and government and the third provincial antidrought work group recently went to various localities to assist in antidrought work. To help all localities combat drought and ensure spring sowing and wheat growth, the provincial CCP committee decided to send Comrades Bai Rubing, Qin Hezhen, Li Zhen, Xu Jianchun and Zhou Zhenxing to prefectures and municipalities where the drought is serious and difficulties are enormous to give guidance to the antidrought work. Comrade Li Zhen already left Jinan for Yantai on 11 May. Other comrades will leave for Weifang, Linyi, Zaozhuang, Qingdao, Huimin and Zibo Prefectures and municipalities today or tomorrow. In the meantime, the provincial government transferred a number of cadres from its subordinate departments to form the third antidrought work group. This group, led by six office or bureau directors, will also go to various localities to help in the antidrought struggle within a couple of days.

SHANGHAI CONGRESS URGES STUDY OF CONSTITUTION

OW110623 Shanghai City Service in Mandarin 1130 GMT 10 May 82

[Text] The 21st Session of the Shanghai Municipal People's Congress Standing Committee held this morning adopted, after discussion, a resolution calling for people throughout the municipality to discuss the draft of the revised constitution of the PRC. The resolution calls for the people of Shanghai to exercise the right of being the masters of their own affairs, pitch in immediately and actively and seriously participate in this discussion.

The resolution points out: The discussion of the draft of the revised constitution by the people throughout the country is a matter of prime importance in the political life of the people of all nationalities in China. It is a vivid embodiment of the peoples exercising the right of being the masters of their own destiny. The resolution calls for all state organs, army units, party and government organizations, people's organizations, schools, enterprises, neighborhoods, rural communes and brigades and other grassroots units in Shanghai Municipality to allocate time needed and organize the masses to conscientiously discuss the draft from May to August this year by extensively publicizing the discussion and mobilizing the masses. The discussion will further heighten the awareness of the people of Shanghai in adhering to the four fundamental principles, performing a citizen's rights and duties and developing the spirit of being the masters of their own destiny. It will further promote the development of Shanghai's socialist material and spiritual civilization. The resolution also stipulates that discussion of the draft be carried out by all departments.

Hu Lijiao, chairman of the municipal people's congress standing committee, presided over the session today. Zhong Min, Zhang Chengzong, Di Jingxiang, Su Buqing, Wang Tao, Liu Jingji, Wu Ruolan, Zhou Gucheng and Li Peinan, vice chairmen of the municipal people's congress standing committee, attended the session. Vice Mayors Zhao Zukang, Wang Jian and Yang Ti, and responsible persons of departments concerned, attended the session as observers.

The session listened to and agreed with the report made by (Qin Fen), chief prosecutor of the municipal people's procuratorate, on indicting the key followers of the Jiang Qing counterrevolutionary clique in Shanghai. The session also approved some cases concerning appointments and dismissals.



TORRENTIAL RAIN HITS GUANGDONG, CUTS RAILROAD

HK130212 Guangzhou Guangdong Provincial Service in Mandarin 2350 GMT 12 May 82

[Text] Torrential and violent rainstorms have fallen throughout northwestern Guangdong in the past few days due to a trough of low pressure. According to incomplete statistics, from 0800 on 9 May to 0800 on 12 May, 100 to 170 mm of rain fell in 16 counties in Shaoguan Prefecture and the northern part of Zhaoqing Prefecture. Rainfall was heaviest in Qingyuan County, followed by Yangshan. The Shaoguan Prefecture command for fighting natural disasters issued an urgent circular on flood-fighting on 12 May. Due to the continuous torrential rains, the waters of many rivers have risen rapidly. The level of the Bin, Wu, Weng and Lian Rivers exceeded the danger level on 12 May.

In the areas hit by torrential rain, much farmland has been inundated, some houses have collapsed and communications and telephone links have been cut in places. Some of the masses have been marooned by floodwaters. Torrents poured down from mountains at (Youxi) and (Dongping) in Ruyuan Yao Autonomous County on 12 May, and commune offices, hospitals, schools, roads and bridges were damaged or destroyed. In addition, more than 10 people are missing. Thirteen people were killed by the torrents from mountains in this county. According to a provincial meteorological station analysis of the current weather situation and date, heavy to torrential rain will continue in western Guangdong, and some places will have exceptionally heavy rain. The rain will gradually decrease after 14 May. Due to the heavy rain and floods, the Beijing-Guangzhou railroad was cut by landslides at three places between Jikeng and Boluokeng stations on the Yingde section on 12 May. The Guangzhou railroad bureau and other departments concerned are hurrying to carry out crash repairs, to reopen the line as early as possible.

The provincial people's government held an urgent meeting of responsible comrades of departments concerned on the morning of 12 May to look into and make arrangements for flood-fighting and rescue work. The Guangzhou PLA unit started to send rescue boats to the disaster areas early in the morning of 13 May.

Fight Against Flooding Urged

HK130216 Guangzhou Guangdong Provincial Service in Mandarin 2350 GMT 12 May 82

[Report on 13 May NANFANG RIBAO commentator's article: "Urgently Mobilize To Guard Against and Fight Flood"]

[Text] The article said: Torrential rain has fallen in parts of Guangdong recently, causing some of the worst floods the province has ever seen. According to the meteorological departments, rain will continue in parts of the province in the next few days. It is therefore essential to urgently mobilize and take effective measures to guard against and fight flood. The article said: While paying attention to bringing into play the flood-fighting enthusiasm of the collective and the individual, all trades and sectors and departments concerned must provide the necessary support and assistance for the affected areas. The article demanded that leaders at all levels be at the frontline of the fight against the disaster, work together with the masses and lead them to victory in the struggle.

LI QINGWEI ADDRESSES HENAN FLOOD-CONTROL FORUM

HK120859 Zhengzhou Henan Provincial Service in Mandarin 1100 GMT 11 May 82

[Summary] Li Qingwei, secretary of the Henan Provincial CCP Committee and vice governor, emphatically put forth at a provincial conference on flood control: "Concentrating manpower and material resources to combat drought and protect wheat, seedlings and spring-sown crops is the central task of the current rural work in our province. We must work hard for 20 days and strive for a good summer harvest."



In his speech, he said: "Due to the increasingly serious drought situation, half of Henan is suffering a serious drought. In fact, there were strong winds on two occasions recently, temperatures increased and the soil moisture decreased, thus aggravating the drought situation throughout the province. Combating drought and protecting wheat, seedlings and spring-sown crops is the major important task." He demanded: "All places must do everything possible and unify efforts to combat drought and irrigate fields, and these efforts must be confined to the plans. They must guarantee the availability of oil and electricity supplies used in combating drought. They must also pay attention to using water sparingly."

The conference decided: "The 5-million-yuan fund for combating drought must be put to best use and cannot be indiscriminately used, wasted or misappropriated." Li Qingwei also demanded that CCP committees and governments at all levels send cadres to rural areas as quickly as possible and mobilize the masses to launch a drive to combat drought. They must promptly discover and solve specific problems encountered in the course of combating drought. They must continue to grasp well the final-state management of wheatfields and strive to fulfill the quotas for sowing late fall crops in about 10 days.

This conference was held in Zhengzhou from 7 to 10 May. Vice Governor Cui Guanghua presided and also addressed the conference. The conference discussed and arranged for this year's flood-control work. The conference demanded: "We must fully understand the important significance of flood-control work. We must make good preparations for flood control. While grasping well the current work of combating drought, we must make good preparations for a flood. We must persist in combating drought and preparing for a flood. We must be determined to fight natural disasters and reap a bumper harvest."

#### HENAN'S XINXIANG PREFECTURE COMMENDS RURAL UNITS

HK100311 Zhengzhou Henan Provincial Service in Mandarin 1100 GMT 8 May 82

[Text] The Xinxiang Prefectural CCP Committee and commissioner's office recently commended a number of outstanding production teams and households that have become rich through hard work, and called on the people throughout the prefecture to emancipate their minds, get rid of worries and learn from the progressives. While striving to promote grain production, they should develop more opportunities for getting rich through hard work, vigorously promote diversification and unswervingly follow the path of getting rich through hard work.

Last year Xinxiang Prefecture suffered serious natural disasters, and production of grain, cotton and oil declined. However, average collective distribution per person was 108 yuan, thanks to promotion of diversification. A number of communes with average distribution of 200 yuan, brigades with 300 yuan and production teams with 400 yuan emerged. Over 6,000 households made more than 1,000 yuan in income from domestic sideline production. These outstanding production teams and households set an example for the whole prefecture in getting rich through hard work.

However, certain people were unable recently to distinguish between getting rich through hard work and committing economic crimes. They erroneously held: In combating criminal activities in the economic field, we must rectify the households, stop them from being outstanding, block the commune and brigade enterprises and curb the activities of the outstanding peasant households. People became worried about developing diversification.

The prefectural CCP committee and commissioner's office therefore convened a symposium and commendation meeting on diversification. They guided everyone to study central document No 1, clearly understanding the policy demarcation lines and realize that becoming outstanding through hard work is proper and honorable and protected by the policy. Leading comrades of the prefectural CCP committee and commissioner's office also presented banners and certificates to 248 progressive collectives and individuals that had done well in diversification, to encourage the people of the prefecture to do still better in diversification this year while promoting grain production.

HUBEI HOLDS PROVINCIAL PEOPLE'S CONGRESS MEETING

## Chen Pixian Speech

HK130455 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 12 May 82

[Summary] The Standing Committee of the 5th Hubei Provincial People's Congress held its 15th meeting in Wuchang municipality on the afternoon of 12 May. In accordance with the resolution of the NPC Standing Committee, the meeting made arrangements for discussion of the draft of the revised constitution of the PRC by the people of our province and also adopted a relevant resolution.

Chen Pixian, chairman of the provincial people's congress standing committee, presided over the meeting. Speaking on mobilizing all people of the province to discuss the present draft, Comrade Chen Pixian pointed out: "This discussion by all people is of great significance and is vital in cultivating socialist democracy, improving the socialist legal system and promoting socialist material and spiritual civilization. In accordance with the spirit of the resolution of the NPC Standing Committee, we must earnestly do a good job of this discussion."

Present at the meeting were Xia Shihou, Zhang Xiulong, Zhang Wanwu and other vice chairmen of the provincial people's congress standing committee.

## Constitution Decision Adopted

HK130457 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 12 May 82

[Summary] The 5th Hubei Provincial People's Congress Standing Committee, at its 15th meeting on 12 May 1982, adopted a resolution on organizing all people of the province to discuss the draft of the revised constitution.

The resolution says: 1) The discussion of the draft by all people is a major event in the present political life of our country. This is of great significance and vital to thoroughly summing up experiences gained in the socialist revolution and construction since the founding of our country. This is also vital to consolidating the socialist economic basis, developing socialist democracy, perfecting the socialist legal system and promoting the development of socialist material and spiritual civilization. All people of our province must, with the sense of responsibility of being the masters of the country, take an active part in the discussion. 2) State organs, PLA units, party organizations, people's groups, schools, communes and brigades and all other units at the grassroots level should make arrangements from May to August of this year to organize the masses for detailed discussions on the preamble and each chapter of the present draft. During the discussions, democracy must be shown to the full and all opinions and suggestions to improve the draft must be warmly welcomed. 3) Leadership must be strengthened in all areas, departments and units to guide the discussion: Principal responsible persons must take charge of this work by explaining the draft to the masses and taking part in the discussion. Opinions and suggestions to revise the draft put forth by the masses must be collected in a timely way and submitted to the people's congress standing committee, which will submit them to the national constitutional revision committee.

BRIEFS

HAINAN SALT SMUGGLING ACTIVITIES -- Since the beginning of last year, the Hainan region has carried out activities of combating the stealing and smuggling of salt. According to incomplete statistics, by the end of April this year, the region had cracked 164 cases of salt smuggling and tax evasion, seized 176 tons of smuggled salt, recovered some 10,700 yuan of taxes which had been evaded and imposed fines of some 10,900 yuan on offenders. At the same time, the region has seized a large number of tools for peddling smuggled salt. To resolutely curb the activities of stealing and smuggling salt, people's governments at all levels in the region have seriously implemented the notice of the provincial people's government on protecting salt production and combating the activities of stealing and smuggling salt. [Haikou Hainan Island Service in Mandarin 0330 GMT 4 May 82 HK]

SICHUAN MEETING DISCUSSES CURRENT FARMWORK

HK130351 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 12 May 82

[Summary] According to SICHUAN RIBAO, the provincial CCP committee and government held a conference by telephone on 11 May which demanded that the leadership, cadres and masses throughout the province do a good job in crash-reaping and sowing and strive for an all-round bumper harvest this year. The meeting put forward the following specific demands:

1. Strengthen leadership over the work. Cadres of provincial, prefectural, county and commune organs should be sent down to the rural areas to help solve problems. The work of improving and perfecting the responsibility systems should be carried out in connection with crash-reaping and sowing. The stress should be on solving problems of the relationship between centralized control and individual responsibility.
2. Practice unified control and use of water, draft oxen and large farm machines and tools.
3. Establish the idea of fighting natural disasters to reap a bumper harvest. There have been frequent hail and windstorms this year, which have caused varying degrees of loss in agriculture and animal husbandry. Precautionary measures must be taken, especially in May.
4. Do a good job in harvesting and storing the spring-reaped grain and rapeseed and avoid hailstorm and wind damage.
5. Adopt various measures to improve the popularization of scientific cultivation.
6. All trades and sectors must support crash-reaping and sowing.

XIZANG REPORTS AGRICULTURAL PRODUCTION GAINS

HK110929 Lhasa Xizang Regional Service in Mandarin 1130 GMT 10 May 82

[Summary] Since the implementation of the central instructions on work in Xizang region published in 1980, the Xizang Regional CCP Committee and People's Government have adopted a series of measures to speed up development of the region. Over the past 2 years, the profits obtained by the peasants and herdsmen amounted to 279.8 million yuan. The measures taken are as follows:

1. Exemption of agricultural and livestock taxes: Over the past 2 years, the people's government has exempted taxes totaling 10.9 million yuan. At the same time, the departments which support agriculture have also supported production development of communes and brigades, collectives and individuals by extending loans. A total of 44.19 million yuan in loans was given to various areas and communes and brigades.
2. Raising of the procurement price of agricultural and animal husbandry products: In 1979 the average procurement price of wheat was 17.42 yuan per 100 jin. It was raised to 20 yuan in the first half of 1980 and to 26 yuan in 1981. In 1979 the procurement price of highland barley was 13.63 yuan per 100 jin. It was raised to 20 yuan in the latter half of 1980 and to 32 yuan in 1981. In 1979, the procurement price of yak was 109.24 yuan per 100 jin. It was raised to 139.19 yuan in the latter half of 1980 and to 203.7 yuan in 1981. The procurement price of lamb's wool was raised by 0.25 yuan. Over the past 2 years, the income of the peasants and herdsmen has increased by 19.5 million yuan.



3. Granting of financial subsidies for diesel oil and chemical fertilizers: Over the past 3 years, some 23,836 tons of diesel oil was supplied to the peasants and the financial subsidy for each ton of diesel oil was 352 yuan. Some 67,466 tons of chemical fertilizers were supplied and the financial subsidy for each ton was 250 yuan. Subsidies from these two items gave the peasants economic profits of 25.27 million yuan.
4. Allocation of funds for development of education in farming and pastoral areas: Since the latter half of 1980, the wages of primary school teachers were paid by state rather than local funds. As a result, over the past 2 years, the expenses of the localities were reduced by 3 million yuan.
5. Allocation of funds for management of plant diseases and insect pests: About 16.65 million yuan has been used in this respect over the past 3 years.
6. Some 32.59 million yuan have been used over the past 3 years in helping poor communes, brigades and households.
7. Expenses for developing the economy of localities, increasing production and improving the people's livelihood amounted to 171.89 million yuan over the past 3 years.

As a result of the implementation of the above-mentioned measures, the people's livelihood in the region has improved, laying a solid foundation for building a united, rich, civilized and new Xizang.

#### XIZANG INSPECTS POLICIES ON INTELLECTUALS

HK120333 Lhasa Xizang Regional Service in Mandarin 1130 GMT 11 May 82

[Text] According to XIZANG RIBAO, the regional CCP committee made arrangements recently to guide all prefectures and municipalities and all regional departments in conscientiously doing a good job of inspecting the implementation of the policies related to intellectuals. At present, the regional CCP committee has already formed a leading group to be responsible for the inspection of the work related to intellectuals and all the provincial departments have also formed leading groups to be responsible for the inspection. All these leading groups have already started their work. In order to satisfactorily carry out inspection on the implementation of the policies related to intellectuals, the regional CCP committee calls on all prefectures and municipalities and all prefectural and municipal departments to form leading groups to be responsible for the inspection, thus providing an organized procedure for guaranteeing the smooth implementation of the inspection.

The regional CCP committee points out that during the inspection we should focus on the work related to those intellectuals above middle-level positions, and the inspection should center on the following problems: how we have been employing and training intellectuals; how things stand in their work, study and lives; how the policies related to them that have been formulated since the 3d Plenary Session of the 11th CCP Central Committee have been implemented; how the wrong, false and misjudged cases involving them have been remedied; how we have trained, further trained and employed minority nationality intellectuals; and what is on the minds of the intellectuals in our region. The regional CCP committee has also made clear and definite arrangements concerning the methods and procedures of this inspection. The regional CCP committee calls for truly solving a few actual problems through this inspection so as to bring the initiative of the broad ranks of intellectuals into full play.

#### YUNNAN HOLDS UNITED FRONT WORK CONFERENCE

HK101420 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 9 May 82

[Summary] The Yunnan provincial united front work conference was recently held in Kunming. The conference stressed: "The major task of the current united front work is to further enhance the understanding of the importance and long-term nature of the united front and open up new prospects for united front work."



When leading comrades of the provincial CCP committee, including Li Qiming, listened to reports on the situation, they pointed out: "United front work is an important activity of the whole party. It is still a great magic weapon of our party in the new historical period. We must really establish sincere relations with our friends outside the party. We must actively contribute toward fulfilling the three great tasks in the 1980's."

The conference was held in Kunming from 25 April to 5 May. On the morning of 5 May, Li Qiming, second secretary of the provincial CCP committee; Li Xingwang, deputy secretary of the provincial CCP committee; and Zhu Jiabi and Dao Guodong, standing committee members of the provincial CCP committee, listened to reports on the situation and spoke.

Leading comrades of the provincial CCP committee, including Li Qiming, pointed out: "Under party leadership, all people throughout the country are building socialist material and spiritual civilization. We must give full play to the role of the united front, mobilize and unite forces of all quarters and, under party leadership, wholeheartedly embark on the four modernizations drive."

They stressed: "All comrades of the entire party must restore and carry forward the excellent traditions and work style of the party. We must take people outside the party into our confidence, do our work well and pursue socialism with them. We must be good at discovering and selecting people of ability from among those outside the party. We must rationally employ cadres who are not party members." They also stressed: "We cannot embark on the four modernizations drive without intellectuals. CCP committees at all levels must attach importance to the implementation of the policy on intellectuals, inspire their enthusiasm and, in accordance with the instructions of the central authorities, unswervingly implement all policies on united front work." They said: "All comrades of the entire party must pay attention to and eliminate the leftist influence and attach importance to united front work. United front work departments at all levels must do work well and serve as good assistants of the CCP committees."

Some 170 responsible persons of the united front work departments of all prefectural, autonomous prefectural, municipal and county CCP committees and relevant comrades of units at the provincial level and all universities and colleges attended the conference.

The conference held that it is essential to grasp the following work well: "First, it is essential to continue to firmly grasp the implementation of all policies on united front work. Second, it is necessary to make good arrangements for and employ people outside the party and to continue to do well in promoting cooperation between party members and nonparty members. Third, it is imperative to continue to do well in uniting compatriots in Taiwan, Hong Kong and Macao and Overseas Chinese. Fourth, we must strengthen religious work. Fifth, we must give full play to the role of CPPCC committees at all levels and give a free hand to the local organizations of all democratic parties so that they can do their work independently and with the initiative in their own hands."

At the conclusion of the conference, Zhu Jiabi, standing committee member of the provincial CCP committee and director of the united front work department, delivered the summation speech.

#### BRIEFS

GUIZHOU FARM MACHINES -- The number of farm machines sold in Guizhou Province has gradually declined over the past years, but has tended to increase this year. According to statistics, the value of sales of farm machines in the province in the first quarter of this year was 34.46 percent greater than in the corresponding period of last year. The increase in rural purchasing power was the main reason for the increase in the value of sales. [Guiyang Guizhou Provincial Service in Mandarin 2315 GMT 3 May 82 HK]

JILIN'S QIANG XIAOCHU ELECTED DEPUTY TO NPC

SK101010 Changchun Jilin Provincial Service in Mandarin 1100 GMT 9 May 82

[Text] According to our sources, the 11th Session of the 5th Jilin Provincial People's Congress Standing Committee concluded in Changchun today. During the meeting, Comrade Liu Cikai, vice chairman of the provincial people's congress, made a report on relaying the spirit of the 23d Session of the 5th NPC Standing Committee. Participants unanimously adopted a resolution on supporting the draft constitution which is deemed to accord with the four basic principles and the demand of our country's new historical period. Participating members heard work reports given by the provincial people's procuratorate on dealing blows at serious economic crimes, by the provincial people's government on the disposition of motions raised at the third session of the fifth provincial people's congress and by provincial people's congress deputies including (Jin Yuehan) on their inspection of decorum and courtesy month activities in Changchun and Jilin municipalities. The session discussed and approved resolutions on urging the people in the province to discuss the draft of the revised PRC constitution, dealing blows at serious economic crimes and convening the fourth session of the fifth provincial people's congress. The session also approved the report on handling motions raised at the third session of the fifth provincial people's congress, the provisional regulations on urban sanitation control and the resolutions on establishing the people's courts in charge of the violation of forest laws in major forestry areas throughout the province, on electing Comrades Qiang Xiaochu and Zhang Gensheng as deputies to the Fifth NPC, on dismissing (Shao Zhusun) from his status as deputy to the Fifth NPC and on personnel changes.

Attending the session were Li Youwen, chairman of the provincial people's congress; Song Renyuan, Zhao Tinaye, Xu Shouxuan, Liu Cikai, Wu Xuezhou, Wu Duo, Cheng Shengsan and Renqinzhamusu, vice chairmen of the provincial people's congress; and permanent members -- 37 persons in all. Among those attending the session as observers were Mu Lin, vice governor of the province; Xin Cheng, chief procurator of the provincial procuratorial office; responsible comrades from departments concerned of the provincial higher people's court and the provincial people's government; and responsible persons from the people's congresses of Changchun and Jilin municipalities and Yanbian Korean Autonomous Prefecture and from the administrative offices of Siping, Tonghua and Baicheng Prefectures.

At the session, participating members decided to convene the fourth session of the fifth provincial people's congress in Changchun this June. The session will hear and examine work reports given by the provincial people's government, the provincial people's congress standing committee and the provincial higher people's court and the provincial people's procuratorate. It will examine and approve the report of the 1981 provincial financial final accounts and the draft of the 1982 provincial financial budget and will elect the governor of the province.

At the session, participants decided to set up intermediate forestry people's courts in Yanbian Korean Autonomous Prefecture, Jilin municipality and Tonghua Prefecture to hear and try civil and criminal cases of violating the forest law lodged by the people's courts in localities covered with forests. The session also decided to set up forestry people's courts in 16 localities, including (Linjiang), (Shachazi), (Songjianghe), (Wangqing), (Huangnihe), (Dashikou), (Dunhua), (Qianyang), (Wangou), (Lushuihe), (Xianqiaoling), (Daxingou), (Helong), (Baihe), (Bajiazi) and (Banshishan), where the provincial level forestry administrative bureaus are located. These forestry people's courts will be in charge of hearing and trying civil and criminal cases on violating the forest law. At the session, participating members, according to article 42 of chapter 9 of the PRC election law on deputies to the NPC or the people's congresses at all levels, accepted the proposal of the provincial CCP committee on electing Comrades Qiang Xiaochu and Zhang Gensheng as additional deputies to the Fifth NPC and approved the appeal lodged by the (Jinxin) commune administrative committee in Hunchun County in regard to dismissing (Shao Zhuxun) from his status as deputy to the Fifth NPC.

The session contended that his violation of the law and discipline had adversely affected the masses and that he is no longer qualified to be a deputy. According to the law, the meeting annulled the status of (Shao Zhuxun) as NPC deputy and will report to the NPC Standing Committee for the record.

FORMER KUOMINTANG PERSONNEL FREED IN LIAONING

OW121234 Beijing XINHUA in English 1218 GMT 12 May 82

[Text] Shenyang, May 12 (XINHUA) -- All of the 151 former Kuomintang party, government and military personnel and its special agents still in custody in Liaoning Province were released today in Jinzhou, some 250 kilometers southwest of Shenyang. They received certificates of release from the government at a meeting marking their release.

This is the third group of Kuomintang prisoners released since the 22nd Session of the Standing Committee of the National People's Congress approved last March the decision to free all former Kuomintang party, government and military personnel and its special agents whose ranks were below county or regimental level. The first two groups were released in Qinghai and Shanxi Provinces. All the released were provided with clothing, bedding and 100 yuan pocket money.

Ding Wanwen, 57, former group intelligence leader of the Kuomintang No 9 Army Corps, said that "whatever punishment imposed on me by the people's government could not have been too severe to atone for my crimes against the Communist Party and the people. Now, I have been released, and will be supported for the rest of my life by the state, as I have no relatives to live with." This, he added, "is something that I had never even dreamed of." Ding was given the death penalty with a two-year reprieve for persecuting and murdering communist cadres and other innocent people before liberation. His sentence was later changed to life imprisonment.

Chen Zhaogong, a former Kuomintang military police [as received] told reporters that the socialist system and the party's policies had saved his family. After his arrest, his wife fell seriously ill, and he feared that his three children would have no one to care for them. But the people's government provided medical care for his wife and a subsidy to support his children. One child graduated from a secondary technical school, one from a university and the third from junior middle school. He was expected to attend his daughter's wedding ceremony at home.

Song Jiucheng, who had been a soldier in the Kuomintang local army, told reporters that he was grateful to the people's government and the Communist Party. He said he had suffered from cerebritis during his term in the prison and the authorities provided medical care even though he was a criminal guilty of murdering cadres of the Communist Party.

Yang Sonting, deputy director of the bureau of reform through labor under the public security department of Liaoning Province, told reporters that the released persons may go back home and will be helped to find jobs. Homeless old people who are no longer able to work will be supported by the government. "Those whose homes are in Taiwan may go there if they wish to," Yang Sonting said. As for those who want to go to Hong Kong, Macao or foreign countries, they will have to go through the necessary formalities as required by government regulations.

Altogether, 4,237 such prisoners will be released throughout the country.

GANSU'S FENG JIXIN ADDRESSES RAILWAY MEETING

SK061258 Lanzhou Gansu Provincial Service in Mandarin 1125 GMT 6 May 82

[Summary] "According to our sources, the provincial CCP committee and the provincial people's government held an on-the-spot meeting in Tianshui from 25 to 28 April on consolidating public security of the Tian-lan railway. Feng Jixin, first secretary of the provincial CCP committee, emphasized in his speech that party organizations at all levels must have the strongest determination and adopt resolute measures to eliminate, as rapidly as possible, the disorder in public security of the Tian-lan railway."

Comrade Feng Jixin said: Since the important instruction of central leading comrades on public security of the Tian-lan railway was issued, initial achievements have been scored in consolidating public security. Criminal incidents such as riding trains without tickets and railway robberies have been markedly reduced. Comrade Feng Jixin said: The problem is that some comrades lack a strong will to take action and lack confidence in consolidation. This mental state hinders the progress of consolidation. Comrade Feng Jixin said: In the next stage of consolidation, we should severely deal with such activities as smuggling, black marketing, speculating, swindling and sabotaging of railway facilities.

NINGXIA'S LI XUEZHI ATTENDS MAY DAY CELEBRATIONS

HK110721 Yinchuan NINGXIA RIBAO in Chinese 2 May 82 p 1

[Report: "Comrade Li Xuezhi Celebrates May Day With the Masses"]

[Text] Li Xuezhi, first secretary of the Ningxia Regional CCP Committee, joined the masses in the Yinchuan municipal people's park for the May Day celebrations yesterday. On 1 May tens of thousands of people in Yinchuan municipality came to the people's park. The shady paths in the park were crowded with visitors. The park was permeated throughout with a festive air. The visitors happily talked about the favorable situation since the 3d Plenary Session of the 11th CCP Central Committee and extolled the new practices which took shape after the activities of this year's first all-people decorum and courtesy month started. Comrade Li Xuezhi visited the park in the morning. Full of zest, he first went to see the children who were playing on a merry-go-round. Then he chatted with the assistants of the service stalls set up in the park by such units as the Yinchuan municipal Xinhua No 2 grocery and the Yinchuan municipal dairy company, and asked them about their business. While taking a rest in the lounge, he talked with the responsible comrades of related units about his opinions on **problems** regarding tree planting and building of parks in the municipality.

QINGHAI'S ZHAXIWANGXU CONDUCTS SELF-CRITICISM

SK110327 Xining Qinghai Provincial Service in Mandarin 2330 GMT 8 May 82

[Text] At a provincial forum of procuratorial departments on cracking down on economic offenses held on 23 April, Zhaxiwanxuxu, secretary of the provincial CCP committee and secretary of the political and legal affairs committee under the provincial CCP committee, conducted a self-criticism on education of children. He demanded that public security departments punish his son (Qi Ming) according to the law to compensate for the harmful effects of his failure to educate his son.

Zhaxiwanxuxu said: I have learned a lesson from bitter experience with regard to the education of children. As a veteran comrade nurtured for many years by the party and in charge of political and legal affairs, I feel more painful and guilty. As many of you may have heard, one of my sons, (Qi Ming), was sentenced to 6 years' imprisonment for theft in 1975. His sentence has not expired yet. When he was released on bail for medical treatment, he again committed a crime. Although the spoils were all returned and he pledged not to commit any crimes again, he has deeply fallen into evil ways and so far has shown no sign of sincere repentance.



I have suggested to public security departments that they deal with the problem of (Qi Ming) according to law. I deeply felt from my experience that education of children is not parents' personal affair -- they have a great responsibility and obligation to the country and society. I am guilty of ignoring (Qi Ming's) education. I did not pay enough attention to guiding and patiently persuading him. When he made mistakes, I simply gave him a dressing down. This produced very little educational effect. I am responsible for his becoming a criminal. From (Qi Ming's) crimes we can see that the adverse effects of the Great Cultural Revolution still leave their impact on many youths. This reminds us of the great importance of bringing up the young generation well. We should attach importance to educating, redeeming and helping the juvenile delinquents change through persuasion. However, we should never be excessively accommodating, or give unprincipled protection to or connive with them. We should be particularly so in dealing with the children of leading comrades. Zhaxiawangxu's self-criticism evoked enthusiastic applause at the meeting.

Criminal (Qi Ming) committed two offenses with others while on bail for medical treatment. On 26 April the provincial reform through labor bureau transferred (Qi Ming) to the fifth provincial reform through labor detachment for custody there.

#### QINGHAI'S LIANG BUTING ATTENDS MILITIA FORUM

SK081345 Xining Qinghai Provincial Service in Mandarin 1100 GMT 8 May 82

[Text] According to our correspondents, the provincial military district recently held a forum of first political commissars of all military subdistricts, the Xining garrison district and all militia departments to discuss ways to strengthen militia work and be good first political commissars.

At the discussion, the participants pointed out the need to consider the militia work as the party's long-term strategic task and handle well the relations between militia building and economic construction. They urged all departments to closely work with each other to do a good job in militia work in accordance with the militia's characteristic of being both civilian and military.

Liang Buting, first secretary of the provincial CCP committee and first political commissar of the provincial military district, and Wu Shengrong, commander of the provincial military district, delivered speeches at the forum. They said: We must be prepared for danger in times of peace and do a good job in armed forces work. First political commissars at all levels should upgrade understanding, do their jobs in a down-to-earth manner, fulfill their duties and strive to make a success of our province's militia work. It is necessary to be prepared for a war against aggression. Militia building should be focused on preparations in organization, ideology and materials.

Zhaxiawangxu, Song Lin, Wang Wenying and other leading comrades also attended the forum.

#### BRIEFS

XINJIANG OIL DISCOVERY -- Urumqi, 22 Apr (XINHUA) -- Oil flow from a recent test well in north Xinjiang indicates prospects for finding new oil fields in the Junggar Basin, according to the Xinjiang Petroleum administration. The area is located more than 100 kilometers north of China's Karamay oil field in north Xinjiang. Prospecting for oil in the area began in the middle 1950's. When magnetic and seismic prospecting on the stratum of the Permian and Triassic periods failed to show much oil, the exploration stopped and several test wells were abandoned. The geologists decided to try the underlying stratum of Carboniferous period in the area several years ago after they had found oil-bearing structure in the stratum of Carboniferous period in opening up the Karamay oil field. Now highways and exploratory wells are being built by the Xinjiang petroleum administration to accelerate the prospecting there. [Text] [Beijing XINHUA in English 1228 GMT 22 Apr 82 OW]

BACKGROUND GIVEN ON NEW VICE FOREIGN MINISTER

HK120213 Hong Kong SOUTH CHINA MORNING POST in English 12 May 82 p 7

[By staff correspondent]

[Text] A former colleague of the party chairman, Mr Hu Yaobang, has been appointed senior vice-foreign minister and may one day become a foreign minister and a state councillor. He is Mr Wu Xueqian, who for almost all of his career has been working in the party apparatus. Mr Wu has never been in the Foreign Ministry of the State Council. Yet he has been promoted ahead of two experienced and highly respected vice-foreign ministers -- Mr Zhang Wenjin and Mr Gong Dafei. Mr Wu's appointment has taken many by surprise, and being named the number two man in the ministry is even more startling. However, it would be wrong to say that he has had no experience in foreign affairs. For much of his time has lately been spent in maintaining contacts and assessing information regarding fraternal communist parties both in the Soviet bloc and in Western countries. Western sources have little on Mr Wu, but not the Nationalists, who have been engaged in a "running battle" with him ever since he was a young man. Their information on Mr Wu was supplemented by Red Guard exposes in the first years of the Cultural Revolution. They believe that during the pre-liberation days, Mr Wu worked underground in Nationalist-held areas -- known in communist terms as "the white districts."

During the anti-Japanese war, it was said, Mr Wu was with the urban works office of the Party's Central China Bureau. This office was said to be the investigation and research bureau of the New Fourth Army, the second largest communist army during the war that operated in east China. Toward the end of the Sino-Japanese War, Mr Wu was transferred to Shanghai, and it was there that he executed a feat unmatched by other party members: He managed to seize 2,500 taels of gold from a wealthy businessman and pass them on to the party. For that he was highly commended.

Mr Wu's association with Mr Hu was believed to have started around that time, and in the 1950's, shortly after the People's Republic was founded, he was a senior party cadre in the Communist Youth League, the chairman of which was Mr Hu Yaobang. He was head of the International Liaison Office of the CYL and a standing committee member of the CYL's own Central Committee. Later he was transferred to the party Central Committee's International Liaison Department, working under such experienced figures as the late Mr Wang Jiaxiang, Mr Liu Ningyi, Mr Geng Biao, and lately, Mr Ji Pengfei. Mr Geng is today the defence minister and Mr Ji, a former foreign minister, is now a state councillor.

Before his present appointment, Mr Wu was a vice-director of the International Liaison Department, working jointly with another vice-director, Mr Qiao Shi, who is now director of the department. And although he left the CYL many years ago, his association with Mr Hu was said to have been maintained. After the arrest of the gang of four in 1976, Mr Hu returned to the party centre and worked first as director of the party Central Committee's Organisation Department and then as its secretary general. Throughout those years, Mr Wu was with the International Liaison Department under the party Central Committee. In his new post as the senior vice-foreign minister, Mr Wu will largely deal with Soviet and East European affairs, partly because of his working experiences in the International Liaison Department. Mr Wu is also expected to deputise for the minister, Mr Huang Hua, when the latter is away from the country or is otherwise unable to fulfill his duties.

WEN WEI PO ON PROSPECTS FOR SINO-INDIAN TALKS

HK130655 Hong Kong WEN WEI PO in Chinese 13 May 82 p 2

[Editorial: "Prospects for the Sino-Indian Talks"]

[Text] The second round of the Sino-Indian border talks will be held in New Delhi next Monday. In the first round of talks held in Beijing in December last year, both sides promoted their mutual understanding by explaining their respective positions. This was a positive result, and was a good beginning.

On the eve of the current talks, Indian Information and Broadcasting Minister Vasant Sathe and Foreign Ministry Secretary Gonsalves respectively met with the Chinese press delegation. This was an expression of the Indian desire to promote mutual cooperation and understanding between China and India and contributed to a good atmosphere for the forthcoming talks.

The 1,700-odd-kilometer boundary between China and India has never been delineated. Because of some historical reasons, a few problems exist regarding the boundaries between the two countries. This has resulted in some disputes which have hampered the normalization of relations between the two countries for a time. However, there is no conflict of fundamental interests between China and India and there has been a longstanding history of friendly contacts between the peoples of the two countries. Friendly coexistence between China and India is the common aspiration of the peoples of both countries. It is also beneficial to the peace and stability in Asia and the world. In view of the fact that both sides have taken the initiative to solve the issue in good faith and to engage in border talks with a positive attitude, a gratifying step has been taken. At the same time, trade, economic cooperation and cultural and scientific and technological exchanges between the two countries have also been strengthened. This has promoted mutual understanding so that relations between the two countries have been further improved. We cannot imagine that the border issue between the two countries, complicated as it is because it is an issue left over from history, can be solved through one negotiation. However, so long as both countries adopt a forward-looking attitude, cherish the good faith of solving the issue and find some common ground through an understanding of the positions of both sides, there are bright prospects for the solution of the issue.

China and India once cosponsored the five principles of peaceful coexistence. The situation in their neighboring countries is turbulent. The Soviet invasion of Afghanistan and its stationing of 100,000 troops there constitute a serious threat to China and the subcontinent of South Asia; Iran is in great chaos; and the war between Iran and Iraq shows no signs of subsiding. Both China and India hope for a peaceful international environment. These are the internal and external factors that are helping to bring about an improvement of the relations between China and India and also constitute a common ground between the two countries. Being Third World countries, China and India have cooperated fairly closely on questions of international economy, particularly on the questions of the North-South dialogue and South-South dialogue.

Central to the Sino-Indian issue is the border issue. The solution of this complex issue left over from history necessitates the spirit of mutual understanding and accommodation. Vice Chairman Deng Xiaoping said to our Indian friends: "As long as both sides cherish good faith, respect the actual situation in the border and reach a mutual understanding, it will not be difficult to solve the Sino-Indian border issue through friendly consultations." In the course of the Sino-Indian border talks, China did not claim to regain all the territory that had been incorporated into India under the McMahon Line. China has proposed a package plan for solving the Sino-Indian border issue by taking the line of actual control as a basis for the entire boundary, with China making a concession on the eastern section and India making a concession on the western section. This plan stems from a realistic attitude and reflects the spirit of mutual understanding and accommodation. The five principles of peaceful coexistence have been acknowledged as a criterion for handling international relations. By adhering to this principle, the problem between one country and another can be solved justly and rationally. The desire of China and India for friendly cooperation is a great impetus that promotes the relations between the two countries. It has created favorable conditions for the Sino-Indian talks. By adhering to the spirit of mutual understanding and accommodation, it is possible to solve the Sino-Indian border issue.

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